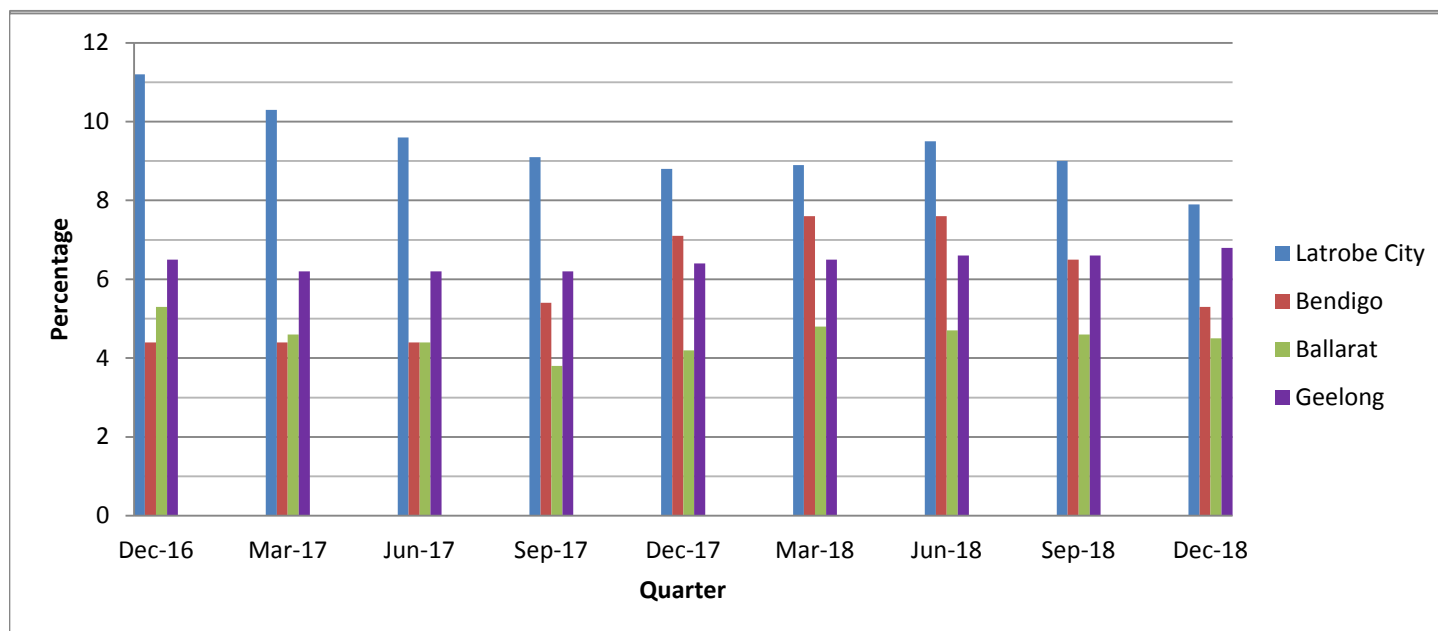


SMALL AREA LABOUR MARKETS

DECEMBER QUARTER 2018

Unemployment rates (%) for LGA's: Latrobe City, Bendigo, Ballarat and Geelong



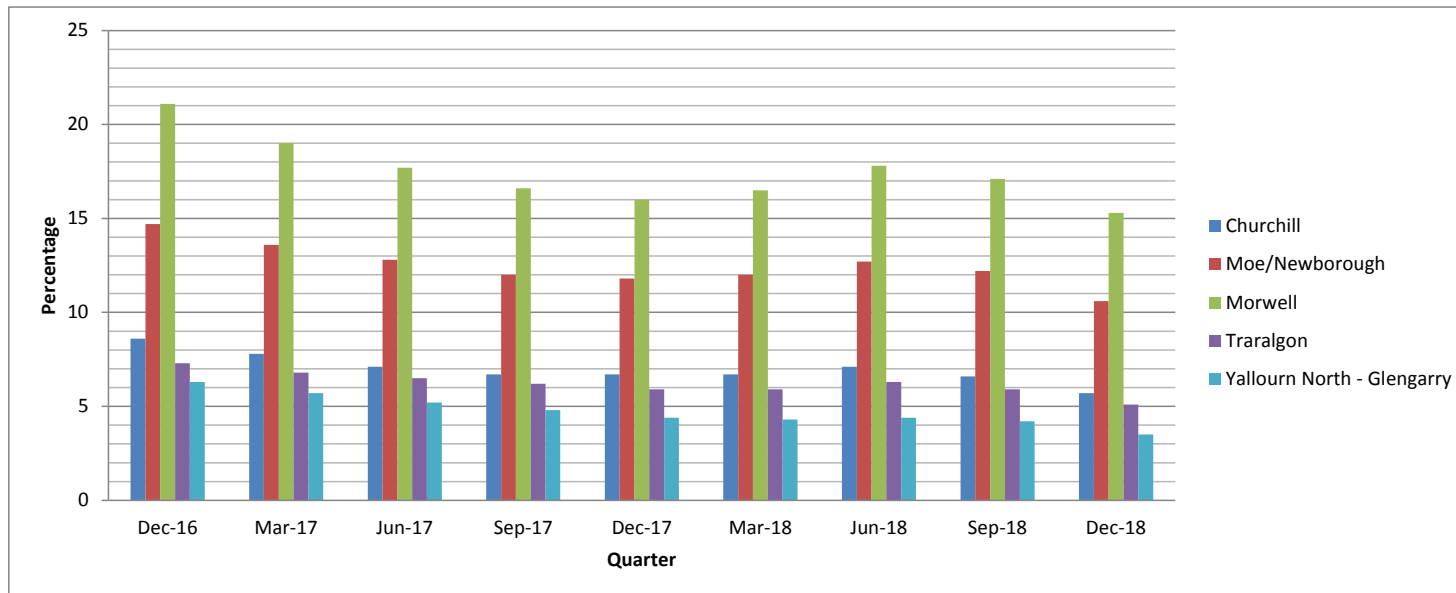
Highly disaggregated estimates of unemployment and the unemployment rate at the SA2 and LGA level can display significant variability and should be viewed with caution. Indeed, quarter-to-quarter comparisons may not be indicative of actual movements in the labour market. It is therefore recommended that year-on-year comparisons be used.

	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18
Latrobe City	11.2	10.3	9.6	9.1	8.8	8.9	9.5	9.0	7.9
Bendigo	4.4	4.4	4.4	5.4	7.1	7.6	7.6	6.5	5.3
Ballarat	5.3	4.6	4.4	3.8	4.2	4.8	4.7	4.6	4.5
Geelong	6.5	6.2	6.2	6.2	6.4	6.5	6.6	6.6	6.8

SMALL AREA LABOUR MARKETS

DECEMBER QUARTER 2018

Unemployment rates (%) for SA2's: Churchill, Moe/Newborough, Morwell, Traralgon & Yallourn North-Glengarry



Highly disaggregated estimates of unemployment and the unemployment rate at the SA2 and LGA level can display significant variability and should be viewed with caution. Indeed, quarter-to-quarter comparisons may not be indicative of actual movements in the labour market. It is therefore recommended that year-on year comparisons be used.

	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18
Churchill	8.6	7.8	7.1	6.7	6.7	6.7	7.1	6.6	5.7
Moe/Newborough	14.7	13.6	12.8	12	11.8	12	12.7	12.2	10.6
Morwell	21.1	19.0	17.7	16.6	16	16.5	17.8	17.1	15.3
Traralgon	7.3	6.8	6.5	6.2	5.9	5.9	6.3	5.9	5.1

Methodology

The estimates are based on the Structure Preserving Estimation (SPREE) methodology, which enables the generation of small area unemployment, unemployment rate and labour force estimates. Given the level of disaggregation involved, the data are smoothed and averaged over four quarters to dampen the variability inherent in the small area estimates.

The estimates presented in the data are derived from three primary data sources:

1. Current recipients of Youth Allowance (other) and current recipients of Newstart Allowance who are not on a zero rate of payment, by SA2;
2. ABS Labour Force Survey data by ABS Statistical Area Level 4 (SA4). The ABS Labour Force Survey samples private and non-private dwellings (approximately 26,000 households) across Australia and covers about 0.32 per cent of the population. More details about the methodology underpinning this survey are included in the ABS publication Labour Force, Australia (cat. no. 6202.0); and
3. 2011 Census of Population and Housing participation rate data at the SA2 level.

The purpose of SPREE is to produce small area labour market estimates that reflect the regional disparities of the Centrelink data, while being consistent with the ABS Labour Force Survey estimates. Unemployment estimates are produced by apportioning the level of unemployment at the SA4 level, as published by the ABS, across each of the SA2s within that region in accordance with the distribution of Centrelink Newstart and Youth Allowance (other) beneficiaries, benchmarked by ABS unemployment estimates by age, sex and marital status at the Greater Capital City Statistical Area (GCCSA) level.

Labour force estimates are produced by:

- taking the participation rate for each SA2 from the 2011 Census (in instances where an SA2 does not have a participation rate, the participation rate for the SA3 was used as a proxy);
- applying this to the latest available ABS estimated resident population (ERP) data for persons aged 15 and over for the SA2, to produce a labour force weighting for the SA2 within the SA4; and then
- allocating the total labour force for each ABS SA4 to the SA2s within that region according to the labour force weighting.

By using Census participation rates and the latest available ERP, the SA2 labour force estimates are able to adjust to changes in the distribution of population within an SA4 since the 2011 Census. Unemployment rate estimates are produced by calculating the level of unemployment as a proportion of the labour force (consistent with ABS methodology). As the reliability of estimates at the SA2 level are related to the size of the SA2, estimates are only published if they had a labour force of 100 or more as at the December quarter 2013. In addition, caution should still be exercised for SA2s or LGAs with a labour force of less than 1,000.

Due to both the methodology used and the significantly higher variability of the data disaggregated below the SA2 or LGA level, it is not possible to derive reliable unemployment and unemployment rate estimates for particular groups (ie; males, females, youth) within an SA2 or LGA.