

Letters to the Editor

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Beware job statistics

More strength to Andrew Leigh in his attack on conventional labour market wisdom (CT Opinion, September 9, p15, "Time to look beyond the unemployment statistics").

But we need also to look at the statistics themselves. Work in Australia has been massively reshaped over the past 20 years. Official data collection has not kept pace.

The current approach means we see replacement of one full-time 40-hour job with two 15-hour part time positions as doubling employment. Yet common sense tells us a 25 per cent reduction in available work is the actual result. The unrealistic definition of "employed" only compounds these inaccuracies.

By now, most people know that just one hour's work a week is sufficient to take a person off the unemployment list.

What is less well-known is that respectable research suggests a new employment yardstick of one day a week would alone see official unemployment rise from 5 per cent to more than 12 per cent. This is a far cry from the labour market golden age some are now spruiking.

Phil Teece, Wanniasa