



Australian Government



National
Skills
Commission

Employment by industry, occupation and skill level

National Skills Commission analysis of quarterly ABS Labour Force Survey data for November

This analysis summarises the key points from the ABS, Labour Force, Detailed, November 2020 quarterly data. The next quarterly LFS release will be on 25 March 2021.

Key Points

1.1 Employment by industry

ABS Seasonally Adjusted Industry Data (no. employed, '000s)

Industry	Nov-20	Aug-20	Feb-20	Quarterly change	Quarterly change (%)	Pre-COVID change	Pre-COVID change (%)
Agriculture, Forestry and Fishing	345.1	365.0	324.6	-19.8	-5.4	20.5	6.3
Mining	261.9	247.4	241.5	14.4	5.8	20.4	8.5
Manufacturing	848.1	864.5	922.4	-16.3	-1.9	-74.3	-8.1
Electricity, Gas, Water and Waste Services	153.0	151.5	132.8	1.5	1.0	20.2	15.2
Construction	1183.2	1160.3	1183.3	22.9	2.0	-0.1	0.0
Wholesale Trade	372.6	395.7	390.5	-23.0	-5.8	-17.9	-4.6
Retail Trade	1287.7	1253.5	1244.1	34.2	2.7	43.6	3.5
Accommodation and Food Services	831.9	786.1	937.3	45.8	5.8	-105.4	-11.2
Transport, Postal and Warehousing	647.1	611.5	648.0	35.7	5.8	-0.9	-0.1
Information Media and Telecommunications	195.5	194.9	216.3	0.5	0.3	-20.8	-9.6
Financial and Insurance Services	490.0	489.6	466.6	0.5	0.1	23.4	5.0
Rental, Hiring and Real Estate Services	209.1	228.0	219.7	-18.8	-8.3	-10.6	-4.8
Professional, Scientific and Technical Services	1194.2	1114.0	1167.6	80.2	7.2	26.6	2.3
Administrative and Support Services	450.5	397.2	434.4	53.3	13.4	16.1	3.7
Public Administration and Safety	880.5	885.5	824.1	-5.0	-0.6	56.4	6.8
Education and Training	1094.4	1089.1	1124.5	5.2	0.5	-30.1	-2.7
Health Care and Social Assistance	1753.6	1776.3	1794.7	-22.8	-1.3	-41.2	-2.3
Arts and Recreation Services	235.6	212.4	247.9	23.2	10.9	-12.2	-4.9
Other Services	472.8	440.2	489.1	32.6	7.4	-16.3	-3.3
TOTAL EMPLOYMENT	12,877.9	12,629.1	13,006.9	248.8	2.0	-129.1	-1.0

Over the **quarter** to November 2020:

- Employment increased in 13 industries and declined in six.
- The largest **gains** were recorded in the Professional, Scientific and Technical Services (up by 80,200 or 7.2 per cent), Administrative and Support Services (53,300 or 13.4 per cent) and Accommodation and Food Services (up by 45,800 or 5.8 per cent) industries.

- The largest **falls** were recorded in the Wholesale Trade (down by 23,000 or 5.8 per cent per cent), Health Care and Social Assistance (down by 22,800 or 1.3 per cent per cent) and Agriculture, Forestry and Fishing (down by 19,800 or 5.4 per cent) industries.

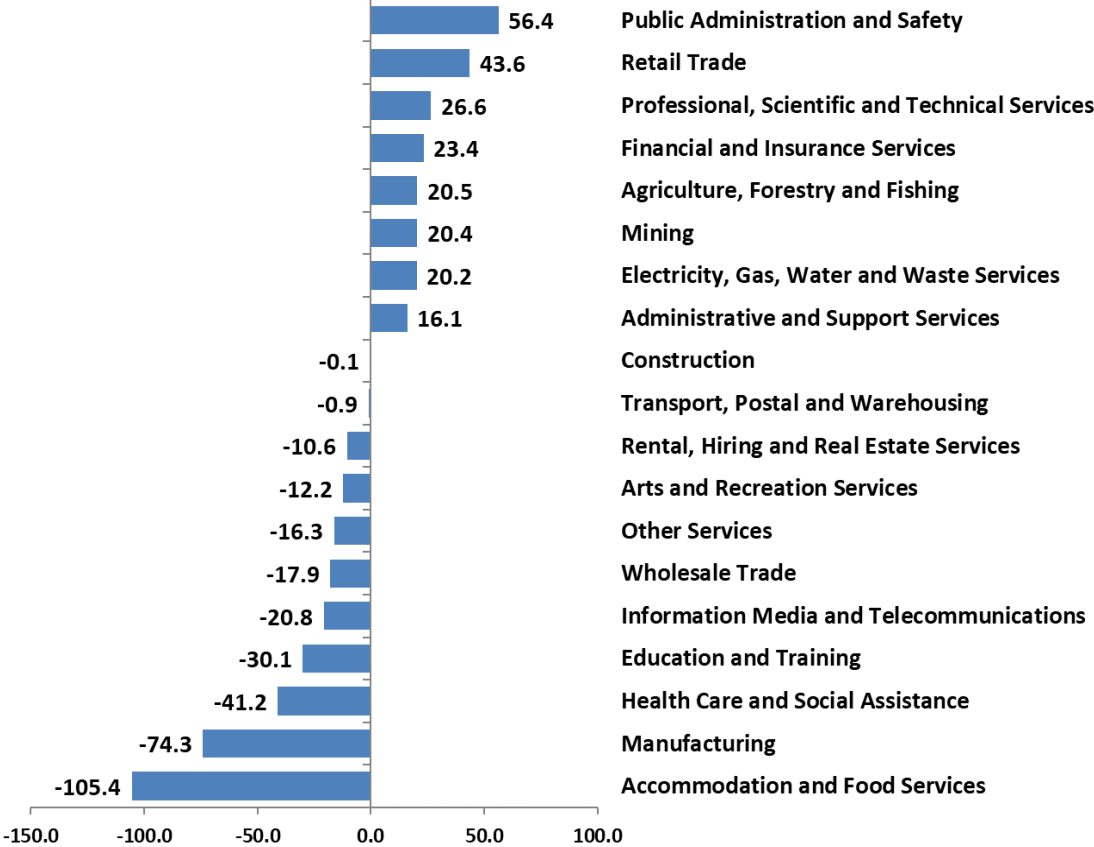
Over the **nine months** to November 2020, representing the change in employment from before the declaration of COVID-19 as a global pandemic:

- Employment increased in eight industries and declined in 11.
 - Financial and Insurance Services was the only industry to record employment growth in all three quarters since the onset of COVID-19.
 - No industries recorded falls in employment in all three quarters since the onset of COVID-19.
 - Strong employment gains in Agriculture, Forestry and Fishing and Public Administration and Safety over the May and August quarters were partially offset by falls in this quarter.
- The largest **gains** were recorded in the Public Administration and Safety (up by 56,400 or 6.8 per cent), Retail Trade (up by 43,600 or 3.5 per cent) and Professional, Scientific and Technical Services (up by 26,600 or 2.3 per cent) industries.
- The largest **falls** in seasonally adjusted employment were in the Accommodation and Food Services (down by 105,700 or 11.2 per cent), Manufacturing (down by 74,300 or 8.1 per cent), Health Care and Social Assistance (down by 41,200 or 2.3 per cent) and Education and Training (down by 30,100 or 2.7 per cent) industries.

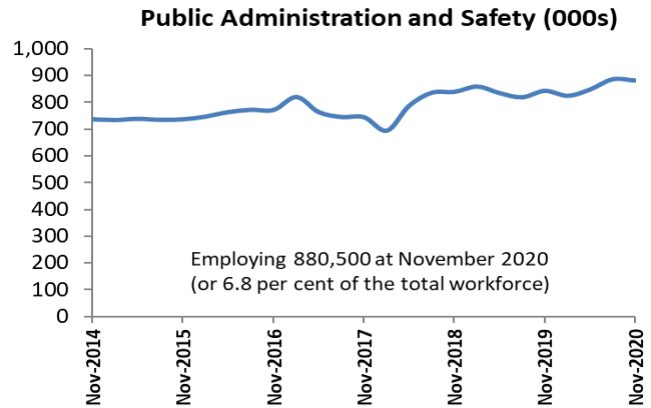
1.2 Industry Summaries

ABS Labour Force Survey data released on 23 December 2020 show that employment increased in eight industries and declined in 11 over the **nine months to November 2020**, representing the change in employment from before the declaration of COVID-19 as a global pandemic. Public Administration and Safety, Retail Trade, and Professional, Scientific and Technical Services made the largest contributions to employment growth. The largest falls in employment were recorded in Accommodation and Food Services, Manufacturing, and Health Care and Social Assistance.

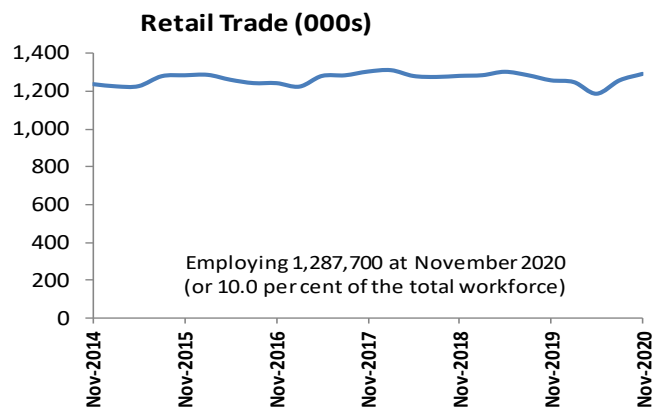
Employment growth by industry ('000) – nine months to November 2020



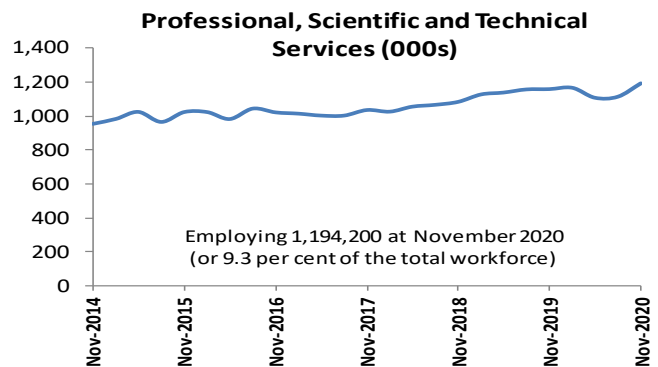
Despite recording a fall in employment over the quarter (down by 5000 or 0.6 per cent), the **Public Administration and Safety** industry recorded the largest increase in employment over the nine months to November 2020 (up by 56,400 or 6.8 per cent). This was driven by employment growth in Public Order and Safety Services (up by 29,200 or 15.5 per cent) and State Government Administration (21,900 or 8.0 per cent).



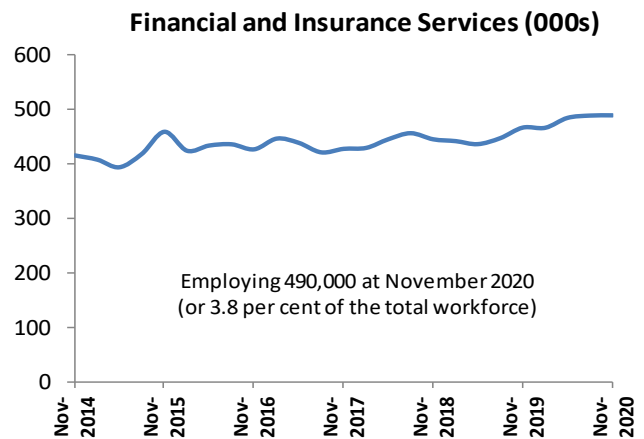
The **Retail Trade** industry has more than recovered from the sharp decline in employment in the first quarter of the COVID-19 impact, to record an increase in employment over the nine months to November 2020 (up by 43,600 or 3.5 per cent), and is now approaching its all time high of 1,307,200 recorded in February 2018. The largest gains in the industry were recorded in Supermarket and Grocery Stores (up by 28,000 or 10.1 per cent), Pharmaceutical and Other Store-Based Retailing (up by 12,400 or 5.7 per cent) and Clothing, Footwear and Personal Accessory Retailing (up by 12,000 or 8.0 per cent).



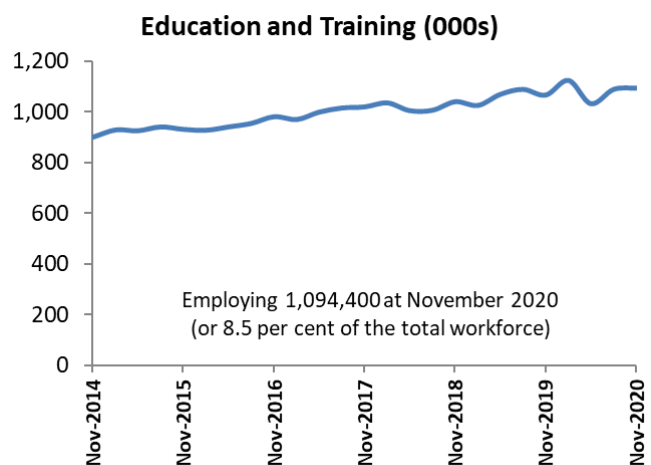
Over the nine months to November 2020 employment in **Professional, Scientific and Technical Services** increased by 26,600 or 2.3 per cent, more than compensating for the COVID shock to employment experienced in the May quarter. The growth was driven by the Computer System Design and Related Services sector, up by 20,300 (or 7.4 per cent), followed by Legal and Accounting Services (14,100 or 5.0 per cent). Nonetheless, employment declines were recorded in some sectors, the largest being for Architectural, Engineering and Technical Services (down by 11,800 or 4.0 per cent), reflecting the slower recovery of the Construction industry.



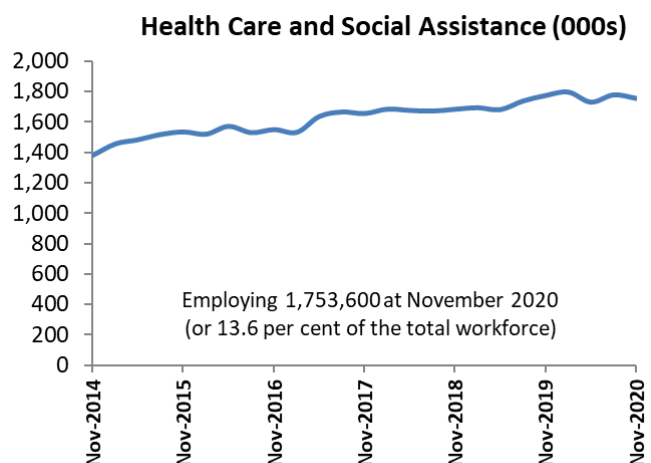
The **Financial and Insurance Services** is the only industry where employment increased in all three quarters since the COVID outbreak, resulting in employment increasing by 23,400 (or 5.0 per cent) over the nine months to November 2020, albeit at a slower rate than over the last two quarters. The largest employment gains in the industry were recorded in Auxiliary Finance and Investment Services (up by 21,100 or 15.3 per cent), Depository Financial Intermediation (up by 6000 or 3.5 per cent) and Health and General Insurance (up by 4700 or 5.3 per cent).



Employment in the **Education and Training** industry fell over the nine months to November 2020 (down by 30,100 or 2.7 per cent). The Adult, Community and Other Education sector recorded the largest fall in employment within the industry over the period (down by 59,200 or 27.3 per cent), with COVID related restrictions likely impacting the sector. Employment also fell in the Tertiary Education sector (down by 10,600 or 4.0 per cent), with many universities announcing staffing cuts as a result of international students not being able to return to Australia. By contrast, employment increased in the School Education (up by 42,100 or 7.5 per cent) and Preschool Education (up by 10,900 or 18.5 per cent) sectors over the period.

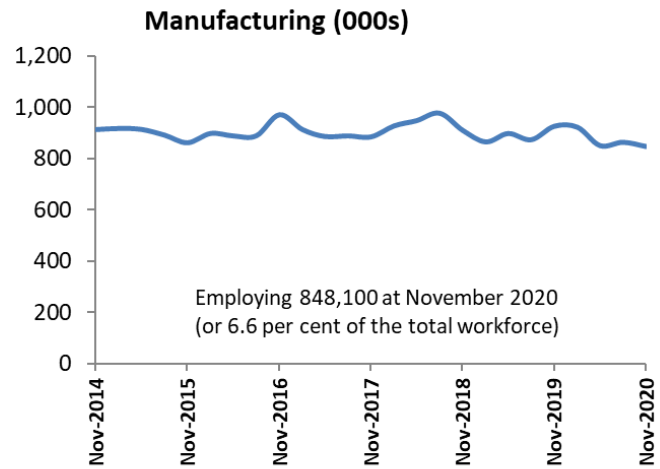


The **Health Care and Social Assistance** industry recorded a large fall in employment over the nine months to November 2020 (down by 41,200 or 2.3 per cent). The Allied Health Services sector recorded the largest fall in employment within the industry over the period (down by 29,700 or 11.8 per cent), as movement restrictions also discouraged people from utilising these types of services. Other large declines were recorded in the Residential Care Services (down by 22,800 or 8.8 per cent) and Other Social Assistance Services (down by 22,400 or 6.4 per cent) sectors. By contrast, employment increased in the Medical Services (up by 36,800 or 20.1 per cent), Other Health Care Services (up by 7300 or 25.0 per cent) and Pathology and

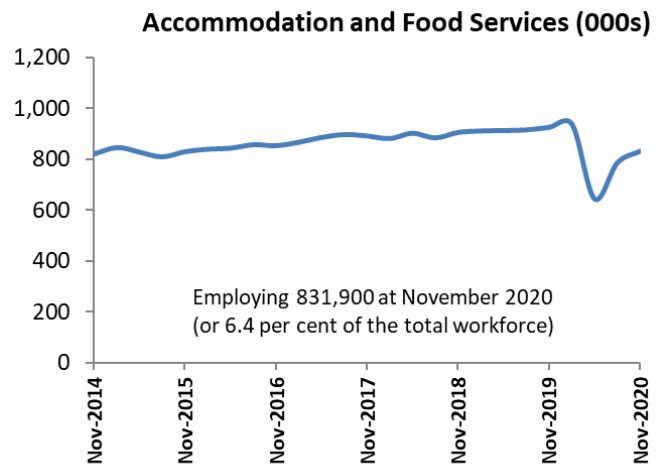


Diagnostic Imaging Services (up by 5200 or 10.7 per cent) sectors.

The **Manufacturing** industry recorded the second largest fall in employment over the nine months to November 2020 (down by 74,300 or 8.1 per cent). The largest falls within the industry were recorded in the Other Food Product Manufacturing (down by 20,300 or 54.8 per cent) and Meat and Meat Product Manufacturing (10,300 or 15.3 per cent) sectors, likely reflecting the current instability in export markets. The Specialised Machinery and Equipment Manufacturing sector also recorded a large fall in employment (down by 9400 or 34.8 per cent) over the period, likely as a result of the slowdown in Construction activity. By contrast, the Pharmaceutical and Medicinal Product Manufacturing sector recorded the largest increase in employment within the industry (up by 5900 or 21.6 per cent), buoyed by pandemic conditions.



The **Accommodation and Food Services** industry recorded the largest fall in employment since the onset of the pandemic (down by 105,400 or 11.2 per cent), with the industry heavily impacted by border closures and restrictions on movement and social interaction. The falls within the industry were recorded in the Cafes, Restaurants and Takeaway Food Services (down by 104,100 or 15.2 per cent), Accommodation (down by 18,900 or 19.6 per cent) and Clubs – Hospitality (down by 6500 or 12.3 per cent) sectors. While employment in the industry still remains below pre-COVID levels, the industry has recorded two consecutive quarters of employment growth – in line with the easing of restrictions across Australia.



2.1 Employment by Occupation

ABS Seasonally Adjusted Occupation Data (no. employed, '000s)

Occupations	Nov-20	Aug-20	Feb-20	Quarterly change	Quarterly change (%)	Pre-COVID change	Pre-COVID change (%)
Managers	1599.2	1651.0	1614.0	-51.8	-3.1	-14.8	-0.9
Professionals	3331.4	3246.3	3183.0	85.0	2.6	148.3	4.7
Technicians and Trades Workers	1770.5	1718.2	1795.3	52.3	3.0	-24.8	-1.4
Community and Personal Service Workers	1272.7	1274.1	1419.3	-1.4	-0.1	-146.6	-10.3
Clerical and Administrative Workers	1763.1	1757.2	1759.3	5.9	0.3	3.8	0.2
Sales Workers	1070.1	1022.9	1132.0	47.2	4.6	-61.9	-5.5
Machinery Operators and Drivers	814.6	784.7	837.2	29.9	3.8	-22.6	-2.7
Labourers	1176.5	1170.1	1245.5	6.5	0.6	-69.0	-5.5
ALL OCCUPATIONS	12,877.9	12,629.1	13,006.9	248.8	2.0	-129.1	-1.0

Over the **quarter** to November 2020:

- Employment increased in six occupation groups and declined in two.
- The largest employment **gains** were for Professionals (up by 85,000 or 2.6 per cent), Technicians and Trades Workers (up by 52,300 or 3.0 per cent) and Sales Workers (up by 47,200 or 4.6 per cent).
- The largest **fall** in seasonally adjusted employment was for Managers (down by 51,800 or 3.1 per cent), followed by Community and Personal Service Workers (down by 1400 or 0.1 per cent).

Over the **nine months** to November 2020:

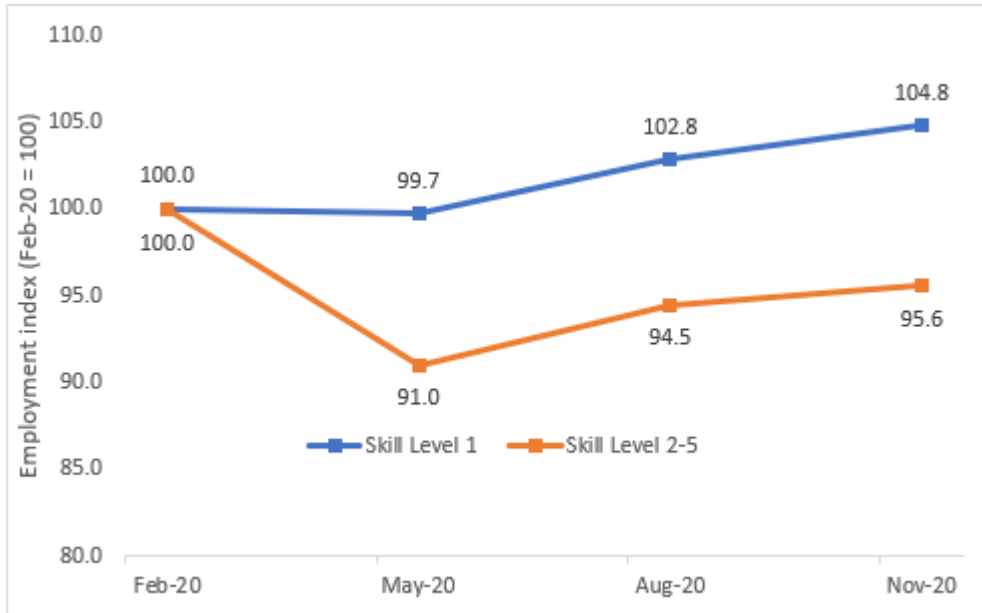
- Employment increased in two occupation groups and declined in six.
- The only employment **gains** recorded were for Professionals (up by 148,300 or 4.7 per cent) and Clerical and Administrative Workers (up by 3800 or 0.2 per cent).
- The largest **falls** in seasonally adjusted employment were for Community and Personal Service Workers (down by 146,400 or 10.3 per cent), Labourers (down by 69,000 or 5.5 per cent) and Sales Workers (down by 61,900 or 5.5 per cent).

3.1 Employment by Skill Level

- Over the November quarter 2020, employment increased for every skill level, with the largest increase recorded by Skill Level 1 occupations (up by 84,600 or 2.0 per cent), followed by Skill Level 5 occupations (up by 36,800 or 2.0 per cent) and Skill Level 4 occupations (up by 24,900 or 0.8 per cent).
- Skill Level 1 occupations have been the only skill level to have recorded an increase in employment since the February quarter 2020 (reflecting the impact of the COVID-19 period), with employment up by 202,700 or 4.8 per cent. The largest decreases in employment were recorded in Skill Level 4 occupations (down by 135,100 or 4.3 per cent) and Skill Level 5 occupations (down by 121,300 or 5.9 per cent).

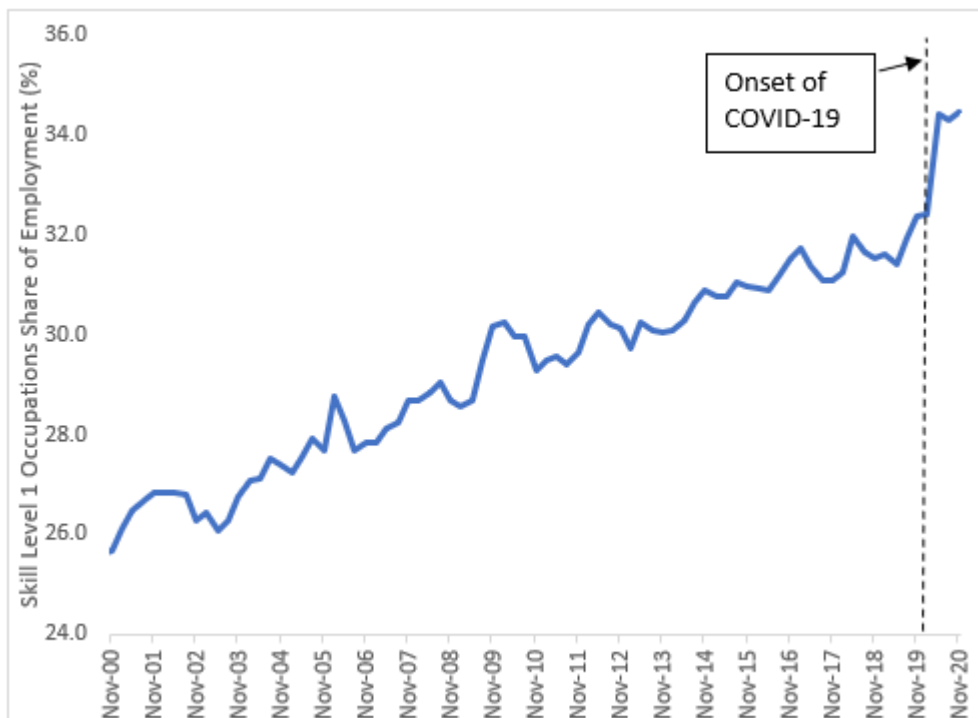
- As shown in Chart 1, the majority of this disparity between Skill Level 1 occupations and the other skill levels occurred in the early months of the COVID-19 pandemic. Employment for Skill Level 1 occupations fell by just 11,900 (or 0.3 per cent) in the May quarter 2020, compared with a fall of 787,900 (or 9.0 per cent) for Skill Level 2-5 occupations combined.

Chart 1: Employment by Skill Level Index



- Skill Level 1 occupations comprised an equal record high of 34.4 per cent of total employment in the November quarter 2020, well above the 32.4 per cent recorded at the onset of COVID-19 in February 2020.

Chart 2: Skill Level 1 Occupations Share of Employment



- As shown in Chart 2, the share of total employment accounted for by Skill Level 1 occupations has trended upwards over time.
- That said, the 2.0 percentage point increase recorded in the May quarter 2020 (to a level that has been sustained in the subsequent two quarters) was the largest on record.
 - To put this increase in perspective, prior to COVID-19 it took 23 quarters (from the August quarter 2014 to the February quarter 2020) for the share of total employment accounted for by Skill Level 1 occupations to increase by 2.0 percentage points.

4.1 Industry employment transitions

In the August quarter 2020, the ABS produced new insights into how people move into and through employment in different industries, using microdata from its longitudinal Labour Force dataset. This information has usually only been available under strict access conditions for further analysis, however, the ABS published an article making use of the information. These insights were again published in the November quarter 2020 and an overview of this information is included below with further details available in the linked article.

<https://www.abs.gov.au/articles/insights-casual-employment-occupation-and-industry>

The following chart copied from the report shows for people employed in each industry in August, the proportion who were **still employed in the same industry** in November, still employed in November but **in a different industry**, or **no longer employed** in November.

For example, people employed in Wholesale Trade in August were the most likely to remain employed in November, but were also the most likely to be employed in a different industry in November.

- 38.6 per cent of people employed in Wholesale Trade in August 2020 were **working in a different industry** in November 2020.
 - The next highest incidence of employment flows to other industries was in the Arts and Recreation Services (23.4 per cent) and Administrative and Support Services (23.2 per cent) industries.
- By contrast, the highest proportions of people **remaining employed in the same industry** between August and November 2020 were in the Financial and Insurance Services (88.9 per cent), Health Care and Social Assistance (88.6 per cent) and Education and Training industries (87.3 per cent).
- The Administrative and Support Services (7.3 per cent), Arts and Recreation Services (6.8 per cent), Agriculture, Forestry and Fishing and Accommodation and Food Services (both 6.7 per cent) industries had the highest proportions of people **no longer employed** in November.

Chart 3: Whether remained employed in November, by Industry in August, Original

