



## NSW Real Unemployment Almost Double Official Rate

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Analysis by the Institute of Public Affairs estimates that the real unemployment rate for NSW was 8.7% in the month of July, almost double the official rate of 4.5%.

This estimate is based on data released by the Australian Bureau of Statistics today and includes those who have left the labour force since May and those who are technically classified as employed but are working zero hours for economic reasons.

While many will celebrate Australia's official unemployment rate falling to just 4.6%, this number excludes significant segments of the population who have lost work as a result of lockdowns.

"The lockdown strategy being pursued by the Berejiklian government has destroyed the jobs of 142,000 people in NSW since May," said Kurt Wallace, Research Fellow at the IPA.

"Lockdowns destroy jobs and destroy lives. Every job is a life, and every lost job is a humanitarian tragedy."

“The lockdowns must end.”

“While many without work may technically maintain a connection to their employer, lockdowns mean that they are deprived of the dignity of work and the ability to provide for their families.”

“Australian workers, families, and small businesses will continue to suffer and lose hope of ever returning to normal as governments pursue lockdowns,” said Mr Wallace.

NSW real unemployment calculations and methodology:

- The July unemployment rate for NSW was 4.5% with 194,200 unemployed people in a labour force of 4.3 million people.
- The IPA estimates that the real unemployment rate for NSW in July was 8.7%, almost double the official rate.
  - This estimate includes those who meet the official definition of unemployed which is those who are out of work but are actively seeking and available to work, plus those who have on net left the labour force since May, plus those who are employed but are working zero hours for economic reasons.
- In addition to 194,200 unemployed people, 71,800 people left the labour force on net since May 2021, and 116,700 people who are classified as employed were working zero hours for economic reasons.
- The real unemployment rate as calculated by the IPA increased from 5.5% to 8.7% between May and July in NSW. This represents 142,000 job losses.
- The month of May is used as a point of comparison because it is the most recent peak in the number of people in the labour force in NSW.

These unemployment measures have been calculated from *Labour Force, Australia* data released by the Australian Bureau of Statistics on Thursday.