



NT
LABOUR
ECONOMICS
OFFICE

TCG Building, 80 Mitchell Street, Darwin NT 0800
GPO Box 385, Darwin NT 0801 | Phone (08) 8936 5000
www.deewr.gov.au



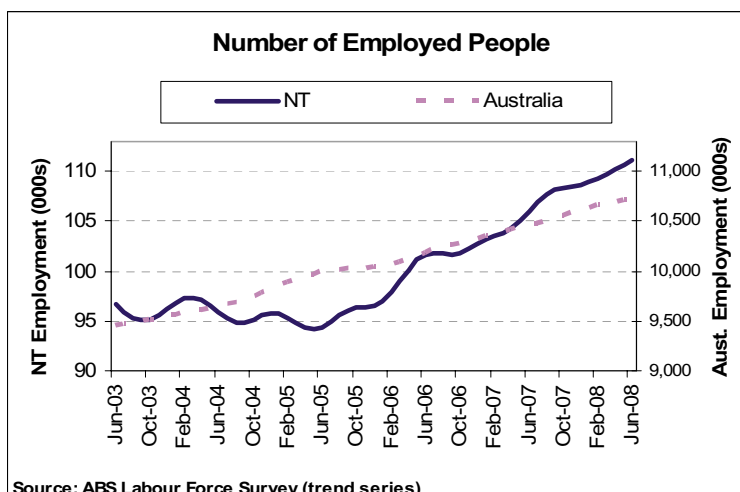
NORTHERN TERRITORY LABOUR MARKET REVIEW

June 2008

According to the ABS Labour Force Survey trend series for June 2008, the Northern Territory (NT) unemployment rate decreased to 3.6 per cent. This is a decline of 0.1 percentage points from the previous month which had been revised from 3.6 to 3.7 per cent. The unemployment rate has declined each month so far this year and is currently below the national rate of 4.2 per cent, however, remains above the low of 2.8 per cent recorded in 2006. Although increasing in June, the NT participation rate, at 72.8 per cent, is below the 73.3 per cent level reached in 2007. The number of people employed has continued to grow so far during 2008 with a record 111 200 employed in June. The size of the NT labour force has also continued to grow, although at a slower rate than last year, and is over 4000 people larger than 12 months ago.

It is important to note that the NT labour force figures are highly volatile. Any interpretation of short term fluctuations is problematic due to the high standard errors relative to the size of the estimates. Rather, longer term trends should be considered. Other independent economic indicators suggest a strong demand for labour and a market where skilled labour is in short supply.

Growth in the NT's gross state product (GSP) is forecast to outpace national gross domestic product (GDP) growth each year for the next 5 years, however, the level growth is fickle and disparate views exist. For example, the 2008/09 ANZ forecast is 3.0 per cent GSP growth, less than half that of the 7.0 per cent Access forecast (ANZ States and Territories Economic Update – September Quarter 2008 and March Access Economics Business Outlook). The May Sensis Business Index for small and medium enterprises indicates business confidence in the NT has declined since February but still remains the highest in the nation and well above the national average which fell to a 15 year low. Advertised vacancies in the NT (ANZ Job Ad Series), although declining so far this year, have grown strongly over the past three years.



Employment Trends

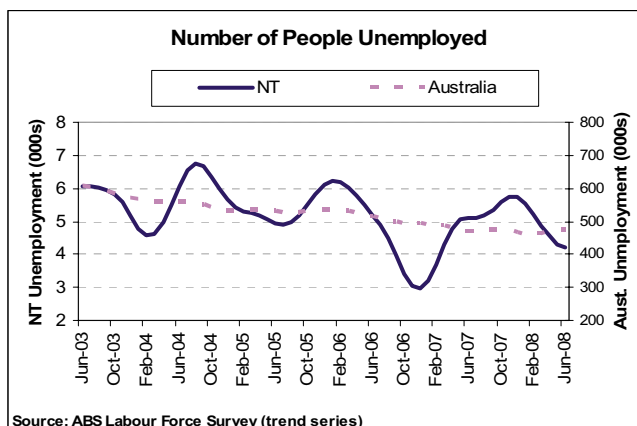
- In June there were 111 200 employed persons in the NT, a new record level and growth of 4.9% over the year.
- Male employment increased to 60 900 and female employment increased to 50 300 in June.
- National employment grew to 10 713 300 in June and has increased by 2.4% over the past twelve months.

Note: The results presented here are taken from the trend series data (not the seasonally adjusted or original data) and trend estimates for the previous 6 months are revised each month incorporating the current results.

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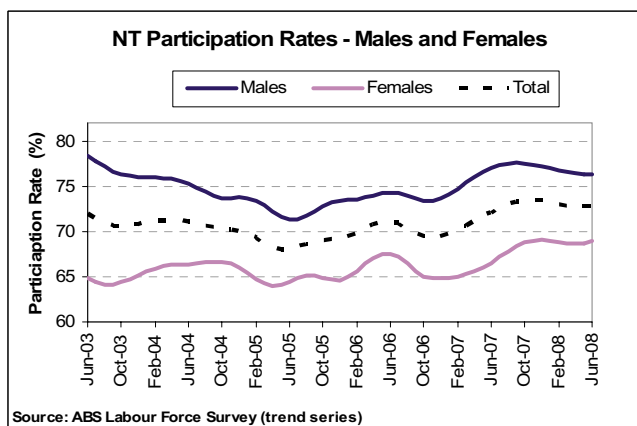
Unemployment Trends

- There were approximately 4200 unemployed persons in the NT in June.
- Male unemployment declined to 2300 in June and female unemployment declined to 1900.
- Nationally the number of unemployed people (at 474 200) increased 1.2% over the month and is now 0.9% higher than the same time last year.
- Nationally the labour force has grown by 2.3% over the past year, while the NT labour force has grown by 3.9%.



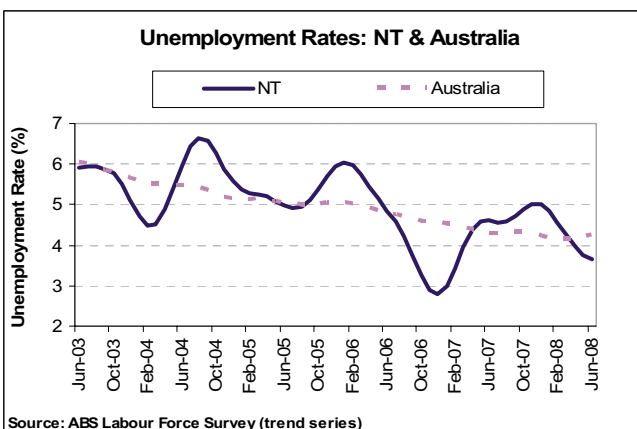
Participation Rate Trends – NT and Australia

- The NT participation rate increased to 72.8% in June, but remains 0.5 percentage points lower than the high of last year.
- The male participation rate is 0.8 percentage points lower than 12 months ago.
- The female participation rate is 2.4 percentage points higher than 12 months ago.
- The national participation rate remained stable at 65.3% in June.



Unemployment Rate Trends – NT and Australia

- The current trend unemployment rate for the NT is 3.6%, which is 1.0 percentage point lower than the same time last year.
- The male NT trend unemployment rate was estimated to be 3.6%, which is 1.5 percentage points lower than 12 months ago.
- The female rate was estimated to be 3.7%, which is 0.3 percent points lower than 12 months ago.
- Nationally the trend unemployment rate remained stable at 4.2% in June.



Full Time Employment

- Full-time employment in the NT has been stable at around peak levels for the past 10 months and in June was 86 700.
- Full-time employment was stable at 51 800 for males and decreased marginally to 34 900 for females.
- Nationally, full-time employment grew in June and is now 2.1% higher than 12 months ago.
- Full-time employment in the NT, at 78.0% in June, accounts for a greater proportion of total employment than nationally (71.5%). However, so far this year employment growth in the NT has been in part-time positions.

