Australian Government

Department of Education, Employment and Workplace Relations

NORTHERN TERRITORY LABOUR MARKET REVIEW

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NT LABOUR ECONOMICS OFFICE

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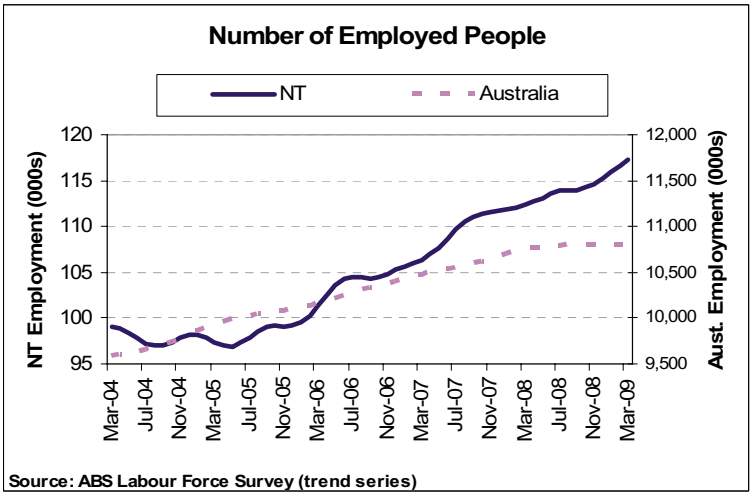
According to the ABS Labour Force Survey trend series for March 2009, the Northern Territory (NT) unemployment rate remained stable at 4.0 per cent. Note that the February unemployment rate has been revised up from 3.9 to 4.0 per cent. The unemployment rate has increased from a low of 3.0 per cent in July last year, but remains below the national rate which increased to 5.4 per cent in March. The NT participation rate increased to 74.1 per cent in March and has now returned to its highest level in over six years. Growth in the number of people employed increased, while the number unemployed remained stable in March bringing the size of the NT labour force to over 122 000 people for the first time.

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 tends should be considered and the current upswing in employment is hard to reconcile with local labour and economic market conditions.

Growth in the NT's gross state product (GSP) is forecast to outpace national gross domestic product (GDP) growth in 2008-09 and 2009-10 (December Access Economics Business Outlook). However, GSP is forecast to shrink in 2010-11 and 2011-12, while nationally GDP strengthens. The February Sensis Business Index for small and medium enterprises indicates NT businesses experienced strong falls in trading conditions during the last three months to levels well below those enjoyed 12 months ago. However, business confidence for the year ahead remains strongest in the NT and is nearly four times the national average. The NT's recent strong economic conditions have been leveraged from projects initiated when global conditions were considerably more favourable and the momentum built during the resources boom has begun to wain. The planned Inpex gas plant will be a key to the future direction of the NT economy.



Employment Trends

- In March there were 117 400 employed persons in the NT which is an increase for the month and growth of 4.4% for the year.
- Both male and female employment increased in March, to 63 500 and 53 800 respectively.
- National employment declined to 10 792 300 in March is now just 0.4% higher than a year ago.

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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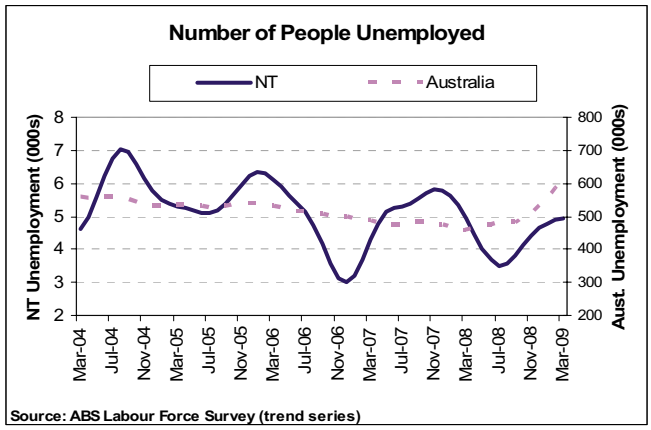
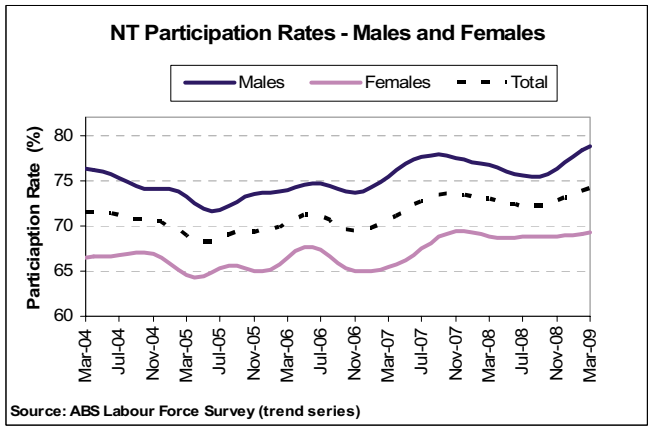
Unemployment Trends

- There were approximately 4900 unemployed persons in the NT in March.
- Both male and female unemployment remained steady in March, at 2800 and 2100 people respectively.
- Nationally the number of unemployed people (at 612 800) increased in March and is 33.3% higher than 12 months ago.
- Nationally the labour force has grown by 1.8% over the past year, while the NT labour force has grown by 4.2%.



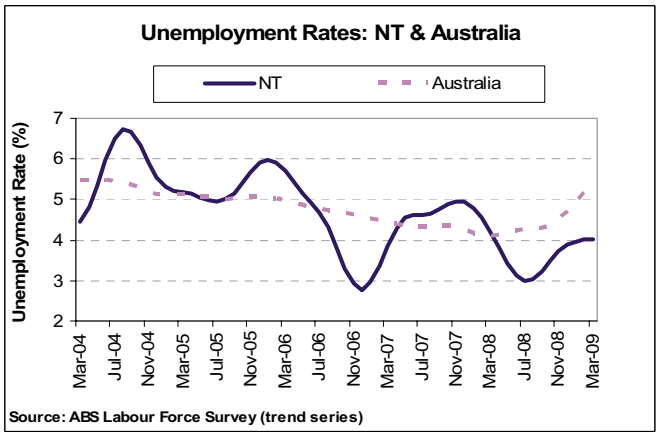
Participation Rate Trends

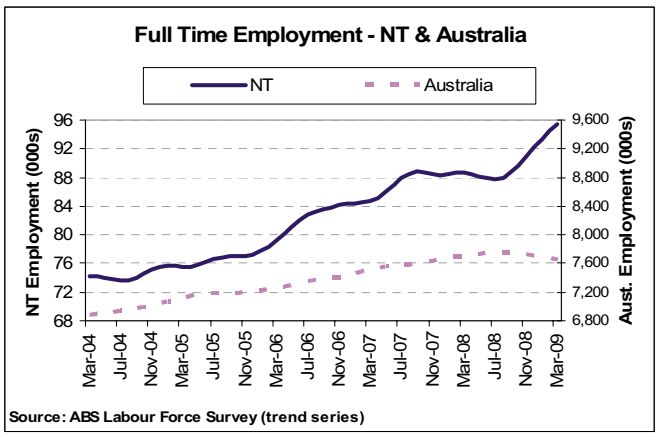
- The NT participation rate increased to 74.1% in March and is now 1.3 percentage points higher than a year ago.
- The male participation rate is 2.1 percentage points higher and the female participation rate is 0.4 percentage points higher than a year ago.
- The national participation rate increased marginally to 65.5% in March.



Unemployment Rate Trends

- The current trend unemployment rate for the NT is 4.0%, which is 0.2 percentage points lower than the same time last year.
- The male NT trend unemployment rate was estimated to be 4.3%, which is 0.1 percentage point lower than 12 months ago.
- The female rate was estimated to be 3.8%, which is 0.3 percent points lower than 12 months ago.
- Nationally the trend unemployment rate increased to 5.4% in March.



Full-time Employment

- Full-time employment in the NT increased to 95 400 people in March to a new record level.
- Full-time employment increased for both males and females in March (reaching 57 200 and 38 200 respectively).
- Nationally, full-time employment declined in March and is now 0.5% lower than 12 months ago.
- Full-time employment in the NT, at 81.3% in March, accounts for a greater proportion of total employment than nationally (70.9%).