



- **Employment rose to 233,300**
- **Unemployment rate fell to 4.4%**
- **Participation rate increased to 61.1%**

Note: All Labour Force estimates are from the Australian Bureau of Statistics' *Labour Force Survey* and are *Trend estimates* unless otherwise stated.

Employment

Employment in Tasmania continued to rise in May, and is currently 3.3% higher than it was in May last year. At 233,300 total employment is at its highest level since the current series began in 1978. Full-time employment is also at its series peak, with a rise of 4.7% on last May's figure. Part-time employment has experienced a minor rise of 0.3% over the year. Total male employment has grown by 2.7% over the year. Male full-time employment grew by 4.0% over the year, but this growth was tempered slightly by a 3.5% fall in part-time employment. Total female employment has increased by 3.9% since May last year, growth that was made up of a 6.0% rise in full-time jobs, and a 1.8% rise in part-time jobs.

Unemployment

The total number of unemployed Tasmanians was estimated to be 10,600 in May, and has fallen by 12.7% over the year. Total male unemployment has fallen by 27.3% in the last 12 months, while female unemployment has

fallen by 3.8% over the same period. The Tasmanian unemployment rate was 4.4% in May this year compared to 5.1% in May last year, and a current national unemployment rate of 4.2%. In other States, the unemployment rate was 4.5% in NSW, 4.3% in Vic, 3.8% in Qld, 4.8% in SA, and 3.4% in WA.



Labour Force & Participation Rates

There were an estimated 243,900 Tasmanians in the labour force in May this year, an increase of 2.5% on last May's figure. Most of the increases have been in the female labour force, which increased by 3.9% over the year, while the male labour force increased by a more modest 1.3%. The total participation rate also increased, from 60.2% in May last year to 61.1% in May this year. The male participation rate increased from 67.6% to 67.8%, while the female participation rate increased from 53.1% to 54.2%. Despite these improvements, participation rates in Tasmania are still significantly below the national average of 65.3%.

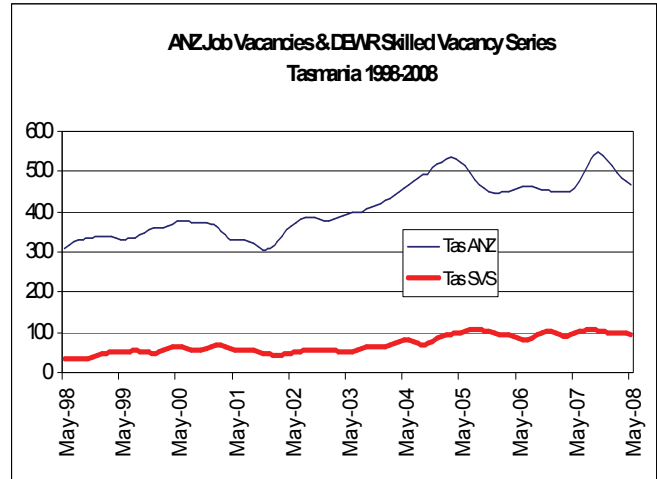
Labour Force Estimates - Tasmania (Trend data)

	May-2007	Apr-2008	May-2008
	000's	000's	000's
Employment			
Male	124.2	127.2	127.6
Female	101.7	105.1	105.7
Full-time	154.6	161.2	161.8
Part-time	71.3	71.1	71.5
Persons	225.9	232.4	233.3
Unemployment			
Male	6.5	4.8	4.7
Female	5.7	6.1	5.9
Persons	12.2	10.9	10.6
Labour Force			
Male	130.7	132.0	132.3
Female	107.4	111.3	111.6
Persons	238.1	243.3	243.9
Unemployment Rate %			
Male	4.9	3.6	3.5
Female	5.3	5.5	5.3
Persons	5.1	4.5	4.4
Full-time Teenage*	19.6	16.6	13.2
Participation Rate %			
Male	67.6	67.7	67.8
Female	53.1	54.6	54.7
Persons	60.2	61.0	61.1
*unadjusted data			

Job Vacancies

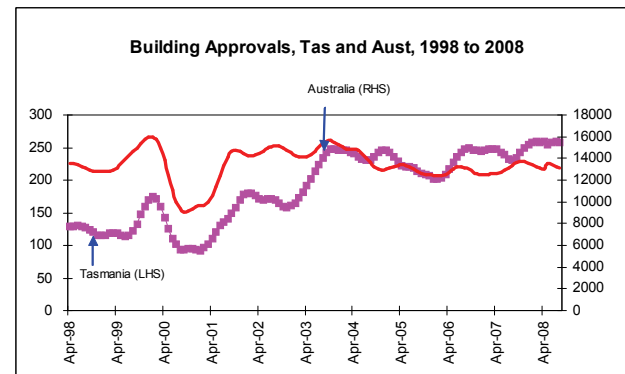
The **ANZ Bank Job Advertisement series** (trend) for Tasmania fell by 1.7% in May, the seventh consecutive monthly fall for the State. The series was still 1.6% above that recorded in May last year, however. Nationally, the series fell by 1.9% over the month, and by 11.5% over the year.

DEWR's Skilled Vacancy Survey Index (trend) for Tasmania fell by 1.3% in May and had also fallen by 1.1% over the year. Nationally, the series fell by 0.1% over the month and was 2.5% lower than in May last year.



Other Indicators

Building Approvals in Tasmania for April increased by 0.8%, and were 5.3% higher than in April last year. Nationally, building approvals were down 0.6% for the month but were 2.7% higher than in April 2007.



The Consumer Price for Hobart in March increased by 1.3% over the quarter, and by 3.8% over the year. This was the biggest annual increase for Hobart since June 2001. Nationally, the CPI also increased by 1.3% over the March quarter and by 4.2% over the year.

Newstart & Youth Allowees

Benefit recipients (Newstart & Youth Allowances)				
	<12 months	> 12 months	Total	% > 12 months
Apr-2007	4,367	8,068	12,435	64.9%
Apr-2008	3,676	6,500	10,176	63.9%
Number difference	-691	-1,568	-2,259	
% difference	-15.8%	-19.4%	-18.2%	

AGE PROFILE OF TASMANIA'S UNEMPLOYED

Introduction

This month's article looks at the age structure of Tasmania's unemployed to see whether some age groups experience disproportionately higher unemployment than others. The different age groups will be compared to those in the general population to try and establish this. In addition, Australian Bureau of Statistics (ABS) data will be examined to see if there have been any changes to the age structure of the unemployed over the last 10 years, particularly in relation to length of unemployment.

Changes to the unemployed over time

The following table shows how the average duration of unemployment has changed over the last 10 years in Tasmania. Percentages have been used to make comparisons easier, as the total number of unemployed in April 1998, was 21,200, which was more than double the number recorded in April 2008.

Duration of unemployment	Apr-98	Apr-08
Under 4 weeks	9.0%	14.1%
4 weeks and under 13 weeks	17.0%	29.4%
13 weeks and under 26 weeks	15.6%	12.9%
26 weeks and under 52 weeks	14.2%	11.8%
52 weeks and under 104 weeks	19.8%	12.9%
104 weeks and over	24.5%	18.8%

The table above shows that there appear to have been changes to the duration of unemployment in Tasmania. In April 1998, around 44.3 per cent of unemployed people had been out of work for a year or more. By April 2008, this had dropped to 31.8 per cent. Not only has unemployment more that halved over the last 10 years, but the increased employment opportunities available in a more buoyant Tasmanian economy have meant that people are gaining employment faster than they used to thereby preventing them from feeding into the group that has been unemployed for over 12 months. In April 1998, people who had been unemployed for two years or more, made up the largest percentage of unemployed people. By April 2008, those who had been unemployed for between four weeks and less than thirteen weeks made up the largest percentage of unemployed people.

Age profile of unemployed people

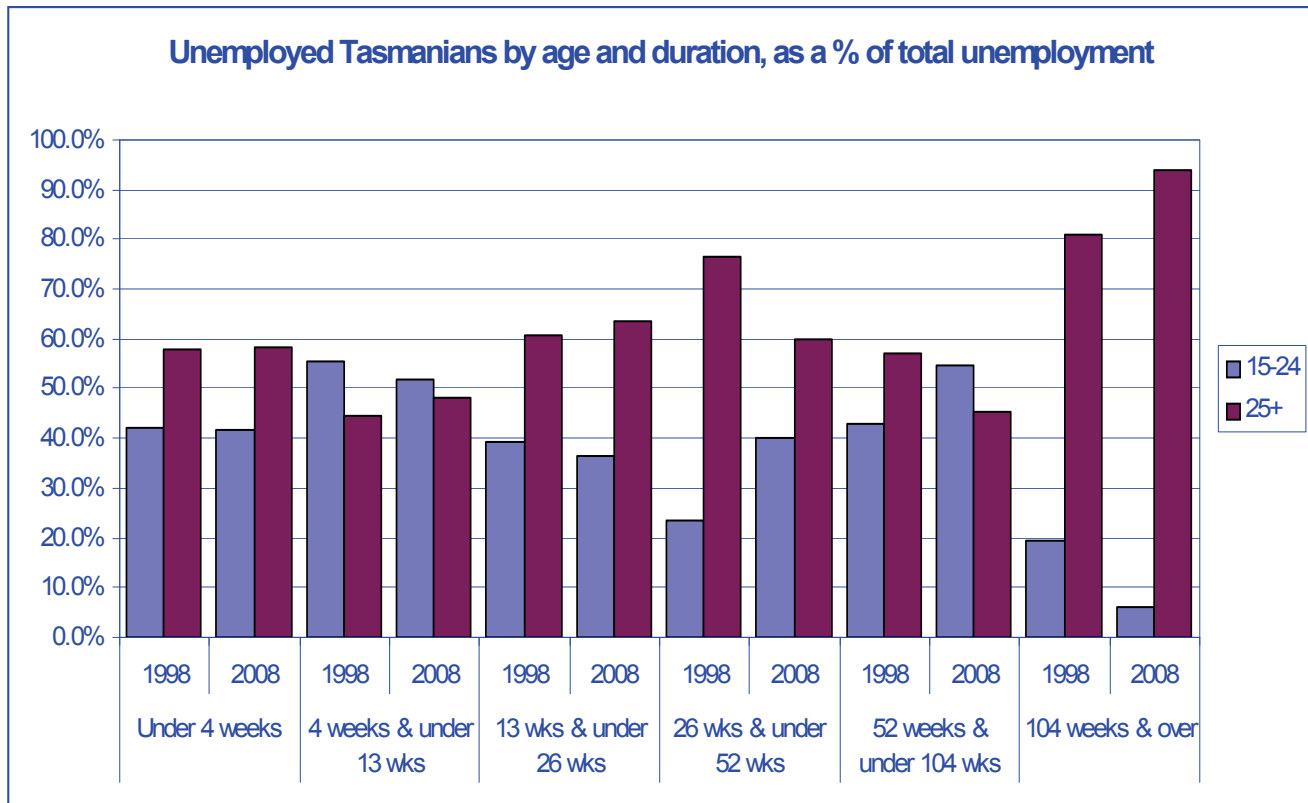
The following table shows the percentage of unemployed Tasmanians by age group, and how it has changed in the last 10 years.

Age Group	Apr-98	Apr-08	Change (percentage points)
15 - 19	16.5%	22.4%	5.8%
20 - 24	19.3%	16.5%	-2.9%
25 - 34	24.5%	22.4%	-2.2%
35 - 44	18.4%	16.5%	-1.9%
45 - 54	14.6%	15.3%	0.7%

It is worth remembering that total unemployment has more than halved in the 10 year period covered by the table above. All age groups experienced falls as a percentage of total unemployed people except those at either end of the age spectrum. When the actual

numbers are considered however, the number of unemployed 15 to 19 year olds fell from 3,500 in 1998, to 1,900 in 2008. a fall of nearly 46 per cent. Other age groups experienced proportionally greater falls than 15 to 19 year olds, which resulted in 15 to 19 year olds making up a greater percentage of the total unemployed, despite the significant falls in absolute numbers. As far as the apparent rise in the percentage of 60 to 65 year olds goes, the actual numbers in this age group are so small as to be statistically invalid, so it is difficult to draw any firm conclusions about them.

The following chart shows where unemployed people are clustered within each age group, and how this has changed, if at all, over the last 10 years.



The 15 to 24 year olds form the largest group of all the age groupings in nearly all years, given that they are a 10 year age cohort, and the 25+ group cover over 40 years. It is notable that 15 to 24 year olds actually increased proportionately among those unemployed for 26 weeks to 52 weeks, and 52 weeks to less than 104 weeks. One of the reasons for this could be related to the ageing of Tasmania's population. As older people retire, and leave the labour market younger people make up a larger percentage of total unemployment than they otherwise would.

ECONOMIC DEVELOPMENTS IN MAY 2008

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- May 6th** The head of the Tasmanian timber company Gunns has given Scottsdale business leaders an assurance at least one of the two north-east sawmills will remain open. Gunns took over the Auspine operation almost three months ago, and is negotiating with other companies for a long term wood supply. Its chairman John Gay met representatives from the North East Tasmania Chamber of Commerce yesterday. The business group's president, Wayne Cuthbertson, says Mr Gay told them all 200 jobs would be safe with one of the sawmills likely to be modernised. (*www.abc.net.au*)
- May 10th** Around 3000 sailors and marines from the US Warship USS Tarawa landed in Hobart for a three-day visit. The visit is expected to pump more than \$6 million into the local economy, the US Government says. (*The Mercury*)
- May 20th** The Resource Management and Planning Appeal Tribunal has handed down a judgement against the Tasman Council which endorses the right of a Sydney businessman to split a 117-hectare parcel of coastal land near Crescent Bay in Tasmania's south-east. The decision has encouraged adventurer and electronics millionaire, Dick Smith, in his attempts to build a \$12 million tourism lodge on his adjoining property. (*The Mercury*)
- May 22nd** Work has officially begun on the \$20 million upgrade of the Launceston Airport. Vos Constructions and Joinery started work this week. (*Examiner*)
- May 22nd** Up to \$25 million will be spent on the Esk Brewery in Launceston, which is owned by J Boag and Son, over the next 18 months. The investment will double the brewery's current capacity. Parent company Lion Nathan has set its sights on growing the interstate market for Boags. (*The Examiner*)
- May 26th** Tasmanian Labor Premier Paul Lennon resigned suddenly after an opinion poll revealed his popularity had dived to just 17%. The new premier is David Bartlett.
- May 27th** The Launceston City Council has made an amendment to its Planning Scheme to re-zone more than 80 ha of land at Rocherlea, Newnham and Mowbray from rural to closed residential. The amendment paves the way for a \$40 million subdivision which is planned for Launceston's northern suburbs. (*The Examiner*)

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- May 29th** ANZ bank released a statement confirming that funding for Gunns Limited's planned Tamar Valley pulp mill in northern Tasmania will not go ahead, but the bank will continue to fund Gunns' other projects.
- May 30th** A \$10-20 million expansion of the Barnbougle golf course on Tasmania's north-east has commenced. (*The Mercury*)