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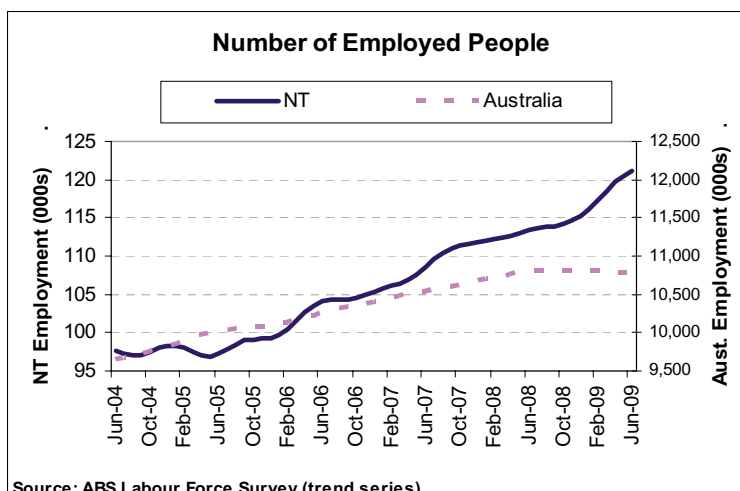
NORTHERN TERRITORY LABOUR MARKET REVIEW

June 2009

According to the ABS Labour Force Survey trend series for June 2009, the Northern Territory (NT) unemployment rate remained stable at 3.9 per cent. Note that the trend unemployment rate series indicates that unemployment has remained steady so far in 2009. The unemployment rate has increased from a low of 3.0 per cent in August last year, but remains below the national rate which increased to 5.8 per cent in June. The NT participation rate increased to 76.1 per cent in June and is now at a record level for the NT. Growth in the number of people employed increased while the number of people unemployed remained stable in June bringing the size of the NT labour force to over 126 200 people for the first time.

It is important to note that the NT labour force figures can be 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.

The June Sensis Business Index for small and medium enterprises indicates strengthened trading conditions during the quarter in the NT, with rising sales, employment and capital expenditure. NT trading conditions are still not as buoyant as they were 12 months ago, but they are very strong considering the deterioration in the Australian and the world economies. 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 (March Access Economics Business Outlook). However, GSP growth is forecast to weaken in 2010-11 and 2011-12, while nationally GDP strengthens. The strong growth in the NT economy leveraged from the global resources boom has yet to wain significantly under the global financial crisis. Commercial and housing construction activity remains firm and retail spending continues to grow strongly. However, the commencement of a major project, such as the Inpex Alpha liquefied natural gas project in planning, will be required for the NT economy to retain its strong positive momentum.



Employment Trends

- In June there were 121 200 employed persons in the NT which is an increase for the month and growth of 6.9% for the year.
- Both male and female employment increased in June, to 65 500 and 55 800 respectively.
- National employment declined marginally to 10 772 500 in June and is marginally lower (down 0.1%) 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 June.
- Male unemployment increased marginally while female unemployment decreased marginally (to 3200 and 1700 people respectively) in June.
- Nationally the number of unemployed people (at 668 400) increased in June and is 41% higher than 12 months ago.
- Nationally the labour force has grown by 1.6% over the past year, while the NT labour force has grown by 7.8%.

Participation Rate Trends

- The NT participation rate increased to 76.1% in June and is now 3.9 percentage points higher than a year ago.
- The male participation rate is 5.6 percentage points higher and the female participation rate is 2.1 percentage points higher than a year ago.
- The national participation rate declined marginally (to 65.4%) in June.

Unemployment Rate Trends

- The current trend unemployment rate for the NT is 3.9%, which is 0.8 percentage points higher than the same time last year.
- The male NT trend unemployment rate was estimated to be 4.7%, which is 1.6 percentage points higher than 12 months ago.
- The female rate was estimated to be 3.0%, which is 0.3 percentage points lower than 12 months ago.
- Nationally the trend unemployment rate increased to 5.8% in June.

Full-time Employment

- Full-time employment in the NT increased to 99 100 people in June, a new record level.
- Full-time employment increased for both males and females in June (reaching 58 600 and 40 400 respectively).
- Nationally, full-time employment declined in June and is now 1.4% lower than 12 months ago.
- Full-time employment in the NT, at 81.7% in June, accounts for a greater proportion of total employment than nationally (70.8%).

