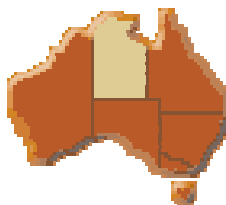
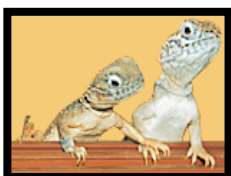




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NORTHERN TERRITORY LABOUR MARKET REVIEW

May 2007

According to the ABS Labour Force Survey trend series for May 2007, the Northern Territory (NT) unemployment rate was 4.6 per cent (an increase of 0.3 per cent over the previous month). The volatile Northern Territory rate has increased each month for the past five months from a record low of 2.9 per cent and has moved above the national unemployment rate which dropped to 4.3 per cent (the lowest rate since the ABS began the current trend series in 1978). In the NT both employment and unemployment increased (to 103 800 and 5100 respectively) in May. The participation rate increased to 70.8 per cent and the size of the NT labour force increased to 108 800. After a downward trend throughout the second half of last year the NT participation rate has increased each month so far this year. The increase, combined with an increase in the civil population, has resulted in a labour force over 2000 people stronger than the previous peak in June last year.

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

The NT economy is currently strong and business investment, driven by the resources boom, has resulted in higher export earnings. State final demand has been outpacing national GDP and is forecast to continue to do so (March Access Economics forecast) each year for the next 5 years. The May Sensis Business Index for small and medium enterprises shows high business confidence for the next 12 months and an employment growth indicator that's the highest in Australia. However the NT's mega-projects have been completed or are drawing to a close and although the economy currently has positive momentum, a new mega-project is needed to prevent a downturn.



Employment Trends

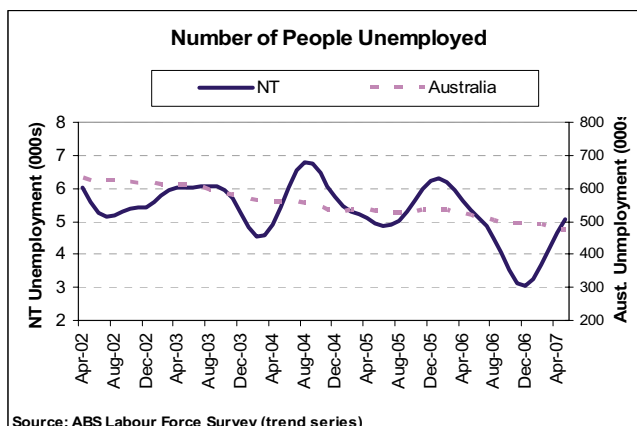
- In May there were 103 800 employed persons in the NT, an increase of 2.8% from the previous year and a marginal increase over April to a new record level of employment.
- Male employment increased (to 57 800) while female employment remained steady at 46 000 in May.
- Nationally there were 10 437 400 people employed, an increase of 2.8% since May last year and growth over April.

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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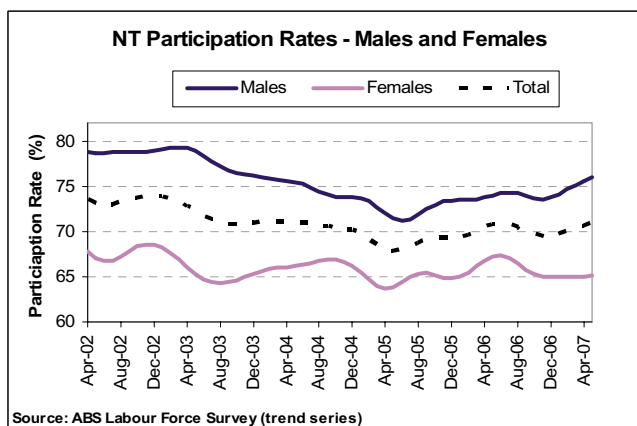
Unemployment Trends

- There were approximately 5100 unemployed persons in the NT in May.
- Male unemployment increased to 3200 in May, while female unemployment remained at 1800.
- Nationally the number of unemployed people (at 472 100) decreased 1.2% over the month.
- Nationally the labour force has grown by 2.2% over the past year, while the number of people unemployed has dropped 8.5% over the same period.



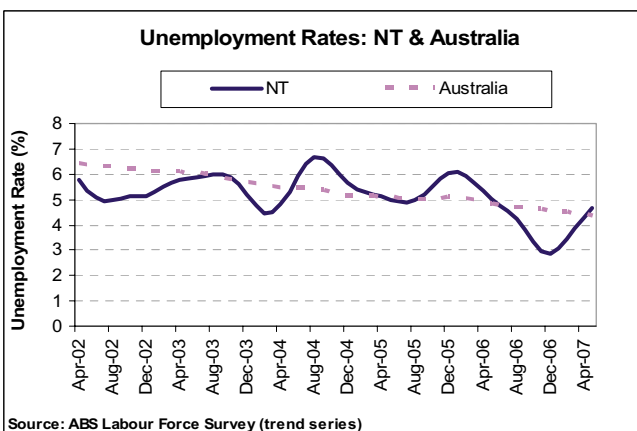
Participation Rate Trends – NT and Australia

- The NT participation rate increased to 70.8% in May returning to the rate it was a year ago.
- The female participation rate has decreased by 2.2 percentage points, while the male participation rate has increased by 2.0 percentage points over the past year.
- The national participation rate remained stable in May at 64.9%.



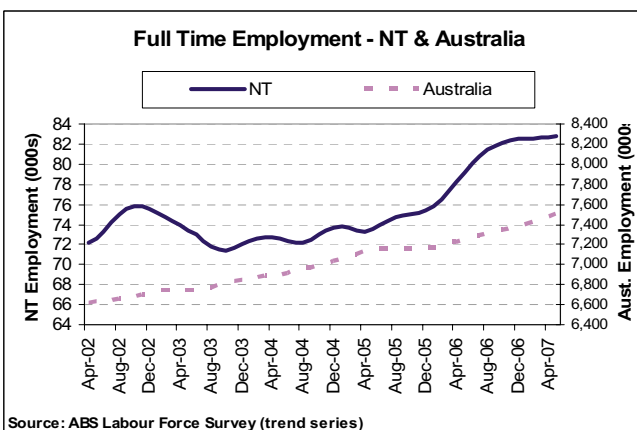
Unemployment Rate Trends – NT and Australia

- The current trend unemployment rate for the NT is 4.6%, which is 0.4 percentage points lower than the same time last year.
- The male NT trend unemployment rate was estimated to be 5.3%, which is 0.1 percentage points lower than 12 months ago.
- The female rate was estimated to be 3.9%, which is 0.7 percentage points lower than 12 months ago.
- Nationally the trend unemployment rate declined to 4.3% in May.



Full Time Employment

- There were an estimated 82 800 people in full-time employment in the NT in May, which gives 3.1% growth over the year to a new record level.
- Full-time employment for males increased to 50 100.
- Full-time employment for females declined marginally to 32 700.
- Nationally, full-time employment grew by 21 500 jobs for the month and by 3.5% over the past 12 months.
- Full-time employment in the NT, at 79.8% in May, accounts for a greater proportion of total employment than nationally (71.9%).



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