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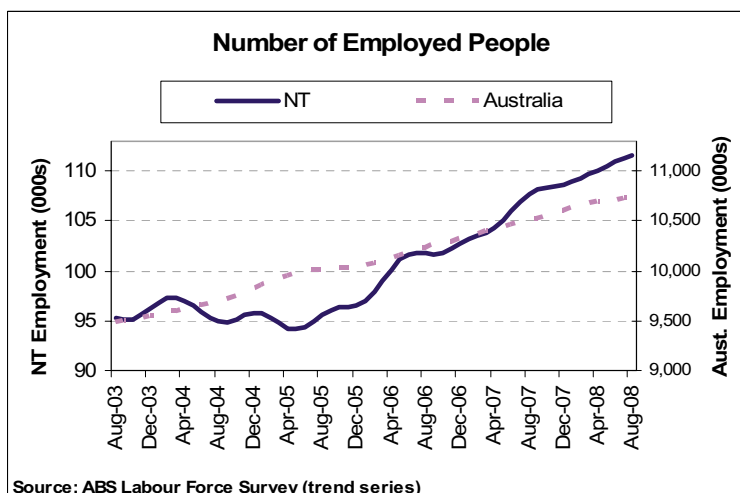
# NORTHERN TERRITORY LABOUR MARKET REVIEW

August 2008

According to the ABS Labour Force Survey trend series for August 2008, the Northern Territory (NT) unemployment rate decreased to 2.6 per cent. This is a decline of 0.2 percentage points from the previous month which had been revised from 2.9 to 2.8 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 and has dropped below the previous low of 2.8 per cent recorded in 2006. The NT participation rate has been in decline so far this year and fell to 71.9 per cent in August. The number of people employed has continued to grow with a record 111 700 employed in August. However; the size of the NT labour force has not grown after peaking in March, remaining at around 114 600 people despite continued population growth.

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 continued strength in the NT labour market.

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. ANZ forecast 3.0 per cent NT GSP growth while Access Economics forecast 5.2 per cent growth for 2008/09 (ANZ States and Territories Economic Update – September Quarter 2008 and June Access Economics Business Outlook). The August Sensis Business Index for small and medium enterprises indicates business confidence in the NT has declined since February; however, still remains strong in comparison to Australia overall, where confidence has deteriorated more than halving in the last 12 months. The Indicators for sales volume and profitability in the NT are strongest in the nation and finding staff remains the number one concern, whereas nationally the top concern has switched to a lack of work. Advertised vacancies in the NT (ANZ Job Ad Series), although declining so far this year, remain high in comparison to five years ago.



### Employment Trends

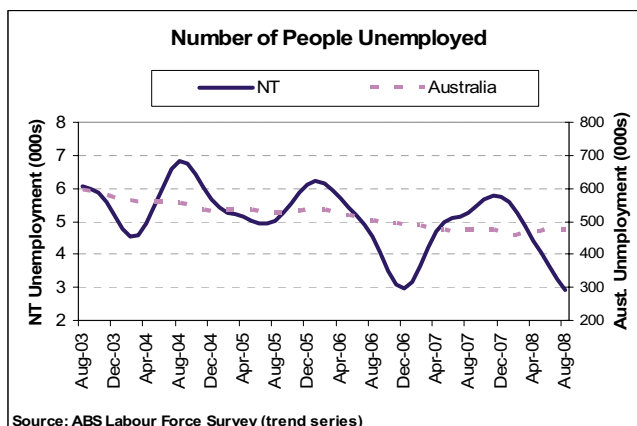
- In August there were 111 700 employed persons in the NT, a new record level and growth of 3.7% over the year.
- Male employment increased to 61 000 and female employment increased to 50 600 in August.
- National employment grew to 10 734 900 in August and has increased by 2.2% over the past twelve 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.

**Disclaimer:** This report August contain material of a speculative nature and therefore should be used with some caution. The Commonwealth, its officers or agents disclaim any responsibility for any loss howsoever caused whether due to negligence or otherwise arising from the use of this report.

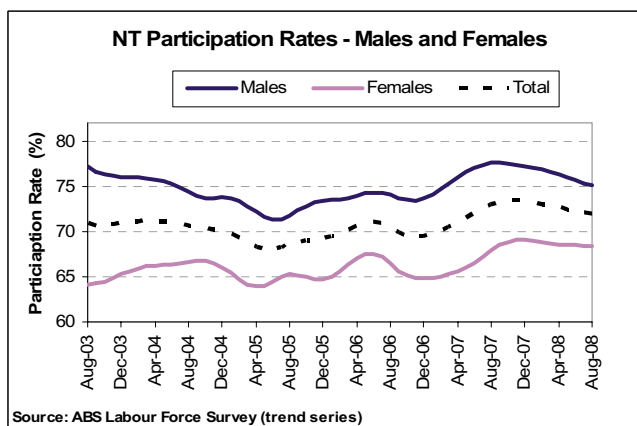
### Unemployment Trends

- There were approximately 2900 unemployed persons in the NT in August.
- Male unemployment declined to 1500 in August and female unemployment declined to 1400.
- Nationally the number of unemployed people (at 474 200) remained stable for the month and is 0.4% higher than the same time last year.
- Nationally the labour force has grown by 2.1% over the past year, while the NT labour force has grown by 1.5%.



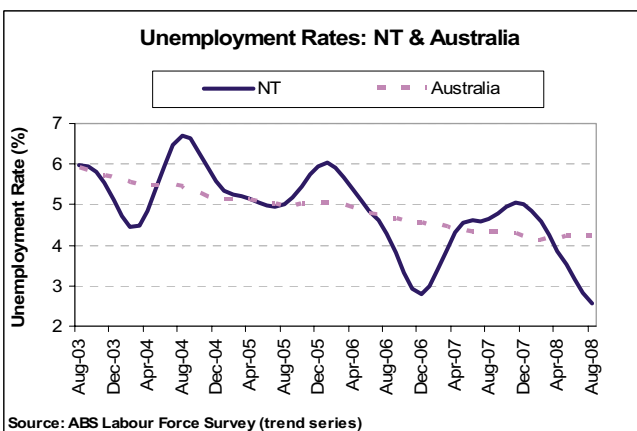
### Participation Rate Trends – NT and Australia

- The NT participation rate decreased to 71.9% in August and is now 1.4 percentage points lower than the high of last year.
- The male participation rate is 2.4 percentage points lower and the female participation rate is 0.6 percentage points higher than 12 months ago.
- The national participation rate declined marginally to 65.2% in August.



### Unemployment Rate Trends – NT and Australia

- The current trend unemployment rate for the NT is 2.6%, which is 2.1 percentage points lower than the same time last year.
- The male NT trend unemployment rate was estimated to be 2.4%, which is 2.1 percentage points lower than 12 months ago.
- The female rate was estimated to be 2.7%, which is 1.9 percent points lower than 12 months ago.
- Nationally the trend unemployment rate remained stable at 4.2% in August.



### Full Time Employment

- Full-time employment in the NT peaked in March at 86 800 people, but has remained stable at close to this level for the past year.
- Full-time employment decreased for males and increased for females in August (to 52 200 and 33 600 respectively).
- Nationally, full-time employment grew in August and is now 2.4% higher than 12 months ago.
- Full-time employment in the NT, at 76.8% in August, accounts for a greater proportion of total employment than nationally (71.9%). However; so far this year employment growth in the NT has been in part-time positions.

