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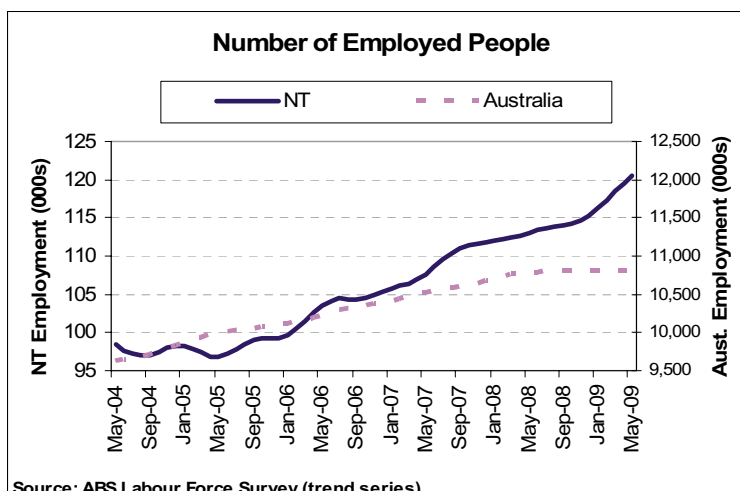
NORTHERN TERRITORY LABOUR MARKET REVIEW

May 2009

According to the ABS Labour Force Survey trend series for May 2009, the Northern Territory (NT) unemployment rate remained stable at 3.9 per cent. Note that the April unemployment rate has been revised down from 4.1 to 3.9 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 5.7 per cent in May. The NT participation rate increased to 75.8 per cent in May and is now close to record level for the NT. Growth in the number of people employed increased while the number of people unemployed remained stable in May bringing the size of the NT labour force to over 125 400 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 trends should be considered and the current upswing in employment is hard to reconcile with the prevailing economic environment.

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 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 is nearly four times the national average. 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 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 May there were 120 600 employed persons in the NT which is an increase for the month and growth of 6.7% for the year.
- Both male and female employment increased in May, to 65 000 and 55 600 respectively.
- National employment declined marginally to 10 788 100 in May is now just 0.1% 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 May.
- Male unemployment remained steady (at 3100 people) while female unemployment decreased (to 1700 people) in May.
- Nationally the number of unemployed people (at 654 900) increased in May and is 40% 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 7.2%.

Participation Rate Trends

- The NT participation rate increased to 75.8% in May and is now 3.4 percentage points higher than a year ago.
- The male participation rate is 4.8 percentage points higher and the female participation rate is 2.0 percentage point higher than a year ago.
- The national participation rate remained stable at 65.5% in May.

Unemployment Rate Trends

- The current trend unemployment rate for the NT is 3.9%, which is 0.4 percentage points higher than the same time last year.
- The male NT trend unemployment rate was estimated to be 4.6%, which is 1.2 percentage points higher than 12 months ago.
- The female rate was estimated to be 3.0%, which is 0.5 percentage points lower than 12 months ago.
- Nationally the trend unemployment rate increased to 5.7% in May.

Full-time Employment

- Full-time employment in the NT increased to 98 500 people in May to a new record level.
- Full-time employment increased for both males and females in May (reaching 58 200 and 40 200 respectively).
- Nationally, full-time employment declined in May and is now 1.0% lower than 12 months ago.
- Full-time employment in the NT, at 81.7% in May, accounts for a greater proportion of total employment than nationally (70.8%).

