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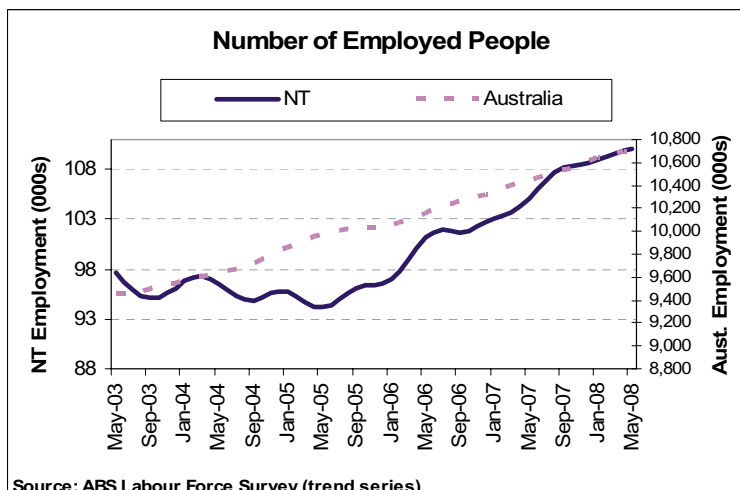
# NORTHERN TERRITORY LABOUR MARKET REVIEW

May 2008

According to the ABS Labour Force Survey trend series for May 2008, the Northern Territory (NT) unemployment rate decreased to 3.6 per cent. This is a decline of 0.4 percentage points from the previous month which had been revised from 4.3 to 4.0 per cent. The unemployment rate has declined each month so far this year and has now dropped back below the national rate of 4.2 per cent, however, remains above the low of 2.8 per cent recorded in 2006. The NT participation rate increased throughout 2007 but has declined gradually so far this year dropping to 72.3 per cent in May. Despite this decline, the number of people employed has continued to grow with a record 110 100 employed in May. The size of the NT labour force has been stable so far this year and remains over 4000 people larger than 12 months ago.

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 a strong demand for labour and a market where skilled labour is in short supply.

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 of growth is fickle and disparate views exist. For example, the 2008/09 ANZ forecast is 3.5 per cent GSP growth, half that of the 7.0 per cent Access forecast (ANZ States and Territories Economic Update – June 2008 and March Access Economics forecast). The May Sensis Business Index for small and medium enterprises indicates business confidence in the NT has declined since February but still remains the highest in the nation and well above the national average which fell to a 15 year low. Strong employment expectations also remain for the NT over the next 12 months. Advertised vacancies in the NT (ANZ Job Ad Series), although declining over recent months, have grown strongly over the past three years.



### Employment Trends

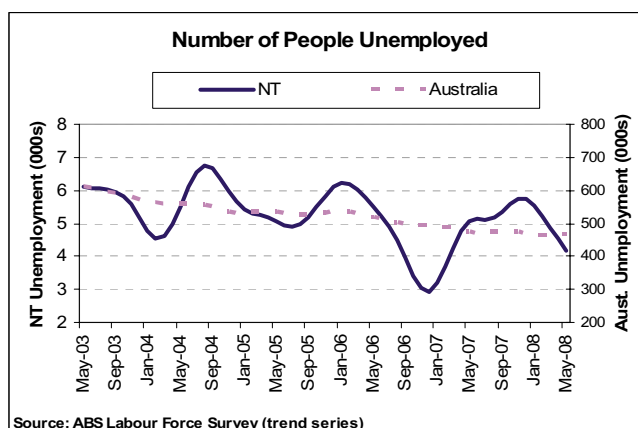
- In May there were 110 100 employed persons in the NT, a record level and growth of 5.6% over the year.
- Male employment increased to 60 500, while female employment also increased marginally to 49 700 in May.
- National employment grew to 10 705 300 in May and has increased by 2.5% over the past twelve 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 may 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.

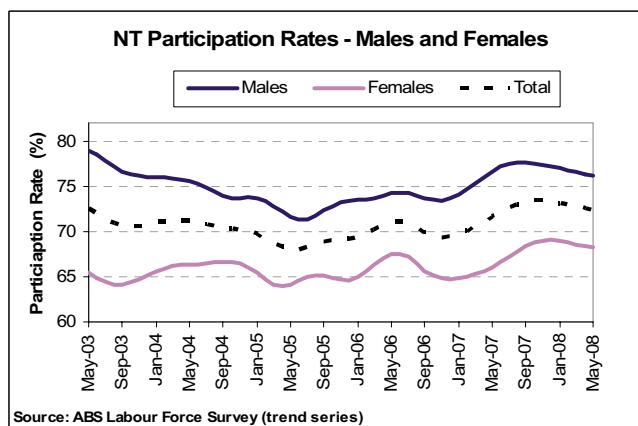
### Unemployment Trends

- There were approximately 4200 unemployed persons in the NT in May.
- Male unemployment declined to 2300 in May, while female unemployment declined to 1800.
- Nationally the number of unemployed people (at 465 500) increased 0.7% over the month.
- Nationally the labour force has grown by 2.3% over the past year, while the number of people unemployed has dropped 1.7% over the same period.



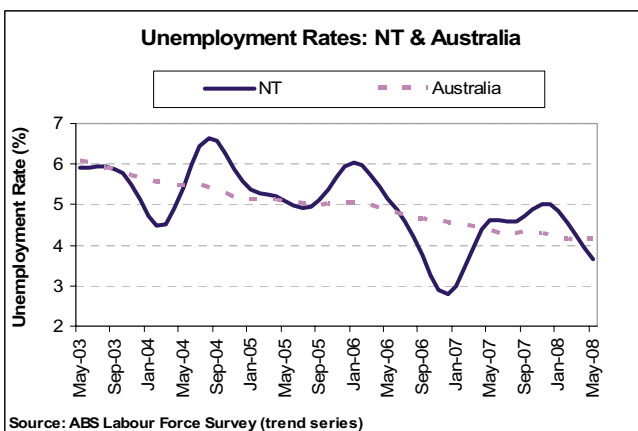
### Participation Rate Trends – NT and Australia

- The NT participation rate decreased to 72.3% in May, but remains higher than the same time last year.
- The male participation rate is 0.6 percentage points lower than the previous year.
- The female participation rate is 2.1 percentage points higher than the previous year.
- The national participation rate remained stable at 65.3% in May.



### Unemployment Rate Trends – NT and Australia

- The current trend unemployment rate for the NT is 3.6%, which is 1.0 percentage point lower than the same time last year.
- The male NT trend unemployment rate was estimated to be 3.7%, which is 1.5 percentage points lower than 12 months ago.
- The female rate was estimated to be 3.6%, which is 0.3 percentage points lower than 12 months ago.
- Nationally the trend unemployment rate increased to 4.2% in May.



### Full Time Employment

- Full-time employment in the NT reached a record level of 87 300 people in May and has grown by 4.0% over the past 12 months.
- Full-time employment for males increased to 51 900 and full-time employment for females increased to 35 400.
- Nationally, full-time employment grew by 7300 jobs for the month and by 2.1% over the past 12 months.
- Full-time employment in the NT, at 79.3% in May, accounts for a greater proportion of total employment than nationally (71.5%).

