



- **Employment fell to 232,900**
- **Unemployment rate fell to 4.8%**
- **Participation rate fell to 60.2%**

**Note:** All Labour Force estimates are from the Australian Bureau of Statistics' *Labour Force Survey* and are *Trend estimates* unless otherwise stated.

### Employment

Total employment in Tasmania fell for the eleventh consecutive month in August, and is now 3.2 per cent lower than it was in August last year. Total full-time employment is 3.8 per cent lower than it was last August, but this has been partially off-set by a 2.8 per cent rise in part-time employment over the same period. In fact all of the rises in part-time employment have occurred among the female workforce. Total female employment grew by 2.3 per cent over the year, but all of these increases were in part-time work which grew by 6.8 per cent. Female full-time employment fell by 2.0 per cent since last August. By contrast male employment fell across the board, with total male employment declining by 7.6 per cent since last August. This decline consisted of a 11.4 per cent fall in male full-time employment and a 6.4 per cent fall in part-time employment. The differences between the significant declines in the male workforce compared to the female workforce are most likely to be explained by the industries hardest hit by the global recession. Mining and manufacturing were those hit hardest and earliest in Tasmania, and they tend to be male dominated. Industries like retail and

accommodation and food services have been less affected to date, and tend to be female dominated, with a significant percentage of part-time workers.

### Unemployment

Total unemployment in Tasmania has fallen for the last four months, but this appears to be as a result of people leaving the labour market, and not due to them obtaining employment. Unemployment was 14.8 per cent higher in August this year compared to last August. Male unemployment has increased from 4,400 to 6,200 over the year, while female unemployment has actually fallen marginally over the same period from 5,700 to 5,400. Tasmania's unemployment rate is currently estimated at 4.8 per cent compared to 4.0 per cent in August last year, and a current national rate of 5.8 per cent. In other States and Territories it was 6.2 per cent in NSW, 6.1 in Vic, 5.7 in Qld, 5.6 in SA, 5.5 in WA, 4.2 in NT, and 3.6 in ACT.

### Labour Force & Participation Rates

The number of people in the Tasmanian labour force has declined by 2.5 per cent over the last 12 months, and is currently estimated at 244,500. The declines have all been in the male labour force, which declined by 6.1 per cent. A rise of 1.9 per cent in the female labour force only partially off-set this decline. Tasmania's participation rate has also fallen to 60.2 per cent, down from the 62.5 per cent recorded in August last year. The current national participation rate is 65.2 per cent.

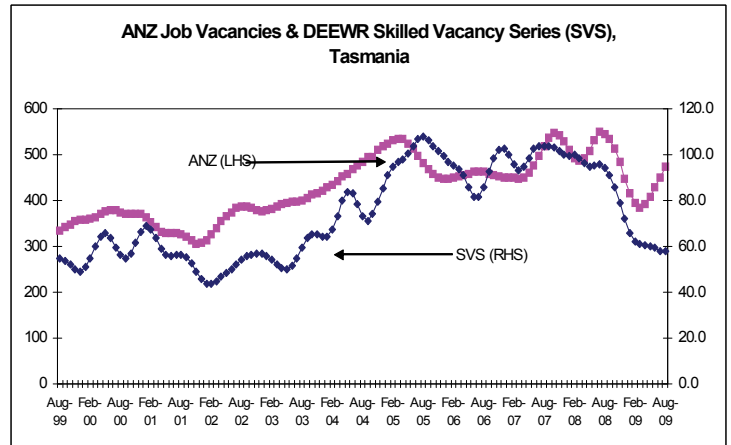
## Labour Force Estimates - Tasmania (Trend data)

	Aug-2008	Jul-2009	Aug-2009
	000's	000's	000's
Employment			
Male	133.4	123.9	123.2
Female	107.2	109.6	109.7
Full-time	166.3	156.8	156.5
Part-time	74.3	76.7	76.4
Persons	240.6	233.5	232.9
Unemployment			
Male	4.4	6.4	6.2
Female	5.7	5.6	5.4
Persons	10.1	11.9	11.6
Labour Force			
Male	137.8	130.3	129.4
Female	112.9	115.2	115.1
Persons	250.7	245.5	244.5
Unemployment Rate %			
Male	3.2	4.9	4.8
Female	5.1	4.8	4.7
Persons	4.0	4.9	4.8
Full-time Teenage*	14.1	12.4	19.8
Participation Rate %			
Male	70.4	65.8	65.3
Female	55.0	55.5	55.4
Persons	62.5	60.5	60.2
*unadjusted data			

### Job Vacancies

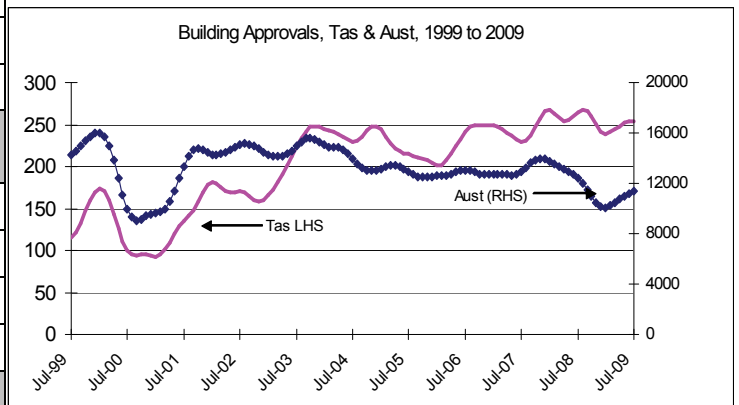
**The ANZ Bank Job Advertisement series** (trend) increased in August in Tasmania, for the sixth consecutive month, but was 13.1% below what it was in August last year. Nationally, the series fell by 2.4% over the month, and by 45.4% over the year.

**DEEWR's Skilled Vacancy Survey Index** (trend) increased marginally in the month of August, but was 38.3% lower than for the same time last year. Nationally, the series declined by 1.0% over the month and by 55.7% over the year.



### Other Indicators

**Building approvals** in Tasmania were at the same level in July as they were in June and experienced no decline for six consecutive months. While there was no increase or decline over the month they had declined by 4.2% over the year. Nationally, building approvals increased by 1.7% over the month of July, but fell by 8.5% over the year.



### Newstart Recipients & Youth Allowees

#### Benefit recipients (Newstart & Youth Allowances) Tasmania

	<12 months	>12 months	Total	% > 12 months
Jul-2008	3,972	6,135	10,107	60.7%
Jul-2009	6,045	6,690	12,735	52.5%
Number difference	2,073	555	2,628	
% difference	52.2%	9.0%	26.0%	

## INDIGENOUS DISADVANTAGE IN TASMANIA

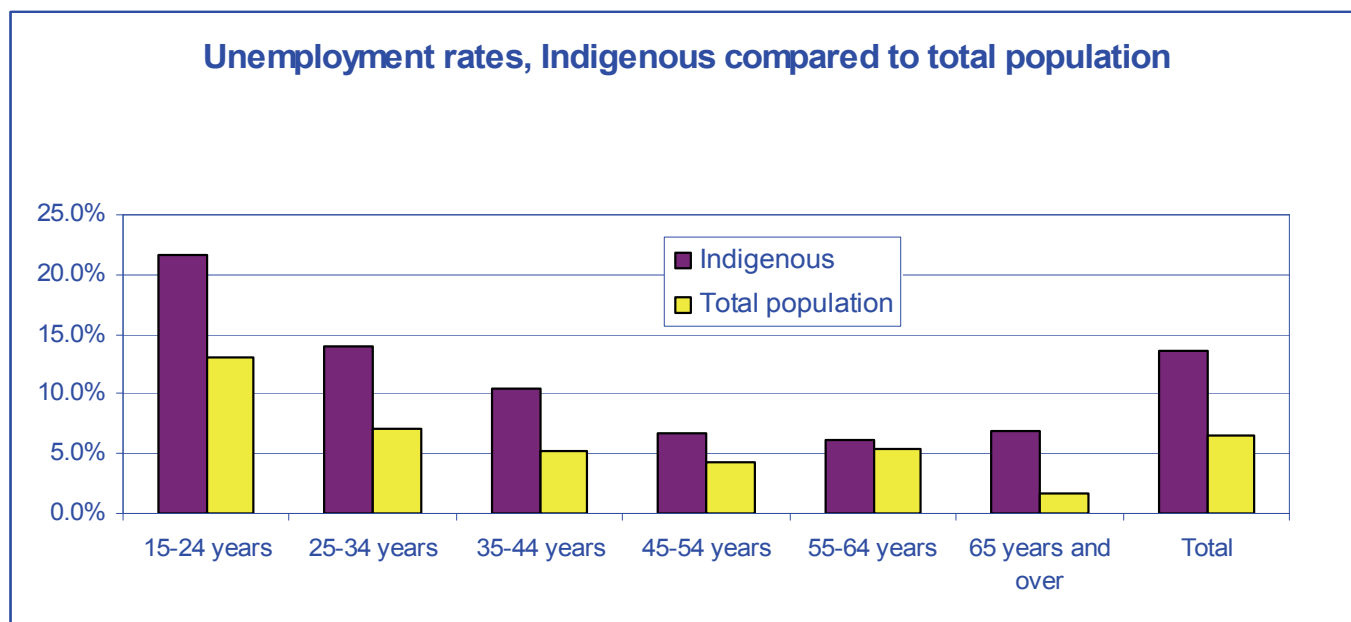
### Introduction

Earlier this year, the Department of Education, Employment and Workplace Relations (DEEWR) reviewed its operations in relation to the way it delivers its programs and strategies for Indigenous people. This was partially a response to a Council of Australian Government (COAG) meeting in October last year that agreed to six ambitious targets aimed at closing the gap in outcomes between Indigenous and non-Indigenous Australians, across a range of measures. The targets are:

- to close the gap in life expectancy within a generation;
- to halve the gap in mortality rates for Indigenous children under five within a decade;
- to ensure all Indigenous four years olds in remote communities have access to early childhood education within five years;
- to halve the gap in reading, writing and numeracy achievements for Indigenous children within a decade;
- to halve the gap for Indigenous students in year 12 attainment or equivalent attainment rates by 2020; and
- to halve the gap in employment outcomes between Indigenous and non-Indigenous Australians within a decade.

The following article highlights some of the areas where Indigenous people in Tasmania experience significant disadvantage compared to non-Indigenous people or, in some cases, compared to the total population of Tasmania. Most of the data used will be Census data, as the nature of sample surveys prevents any reliable collection of Indigenous data through mechanisms such as the ABS labour force survey.

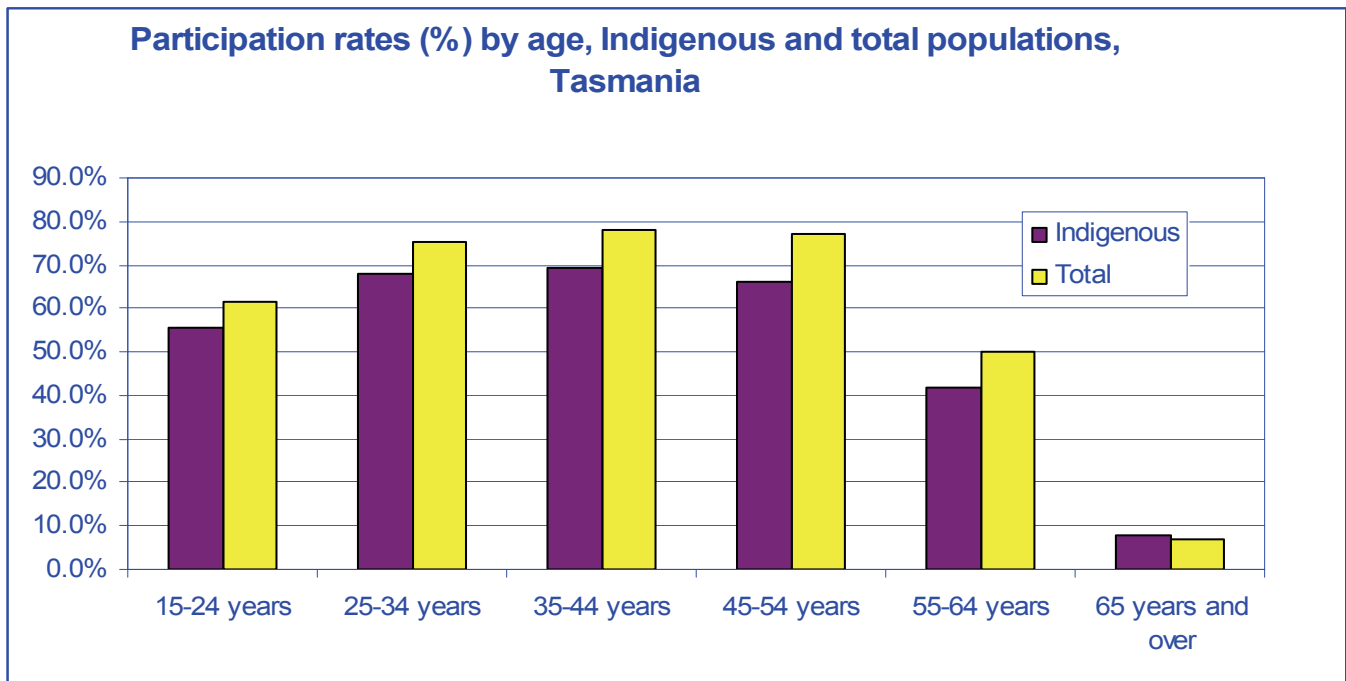
The following graph shows unemployment rates for the whole of Tasmania, compared to those for Indigenous people in the State.



The unemployment rate for Indigenous people between the ages of 25 and 44, was more than double that for the whole population. Overall, Indigenous people had an unemployment rate of 13.7 per cent compared to 6.6 per cent for the total population, at the last Census.

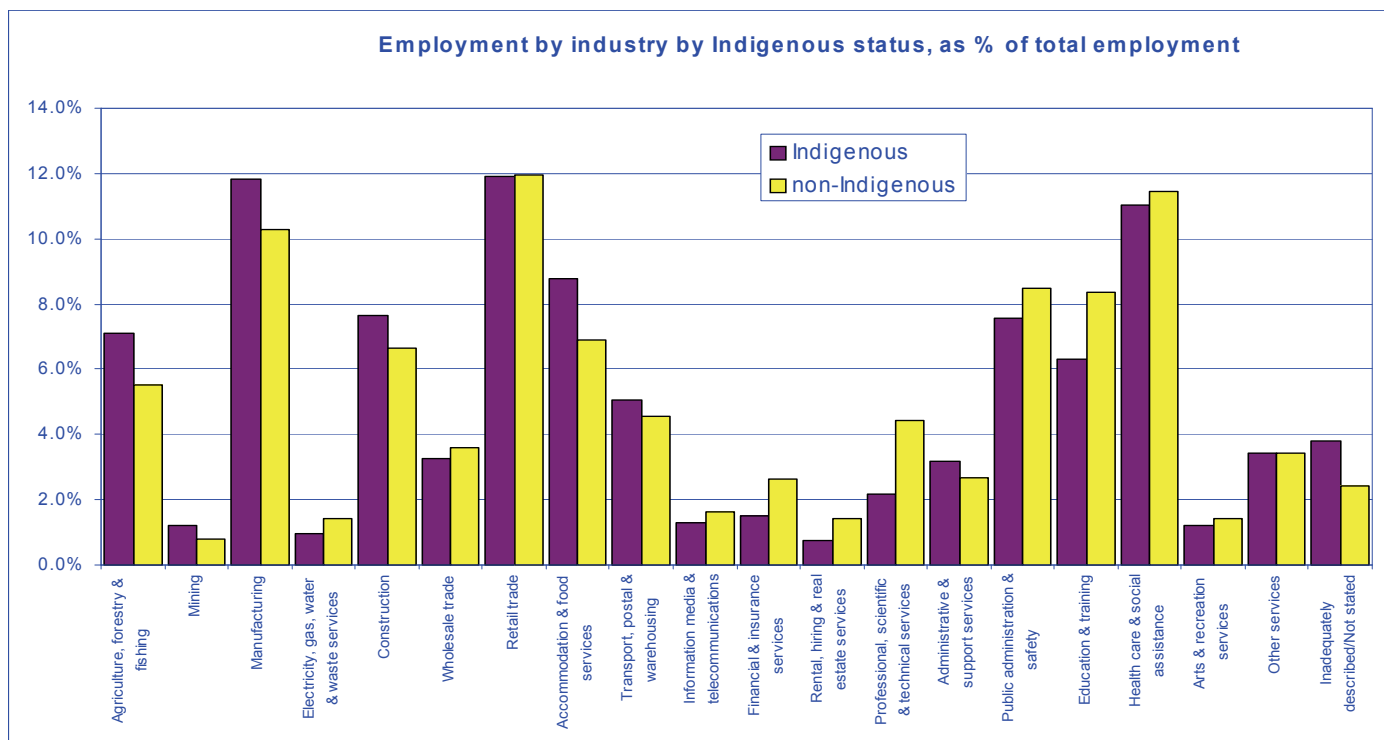
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Participation rates show the extent to which specific groups of people are engaging with the labour market. That is, they are either employed or they are unemployed. The following graph compares participation rates of Indigenous Tasmanians to those for the whole population.



Indigenous participation rates are consistently below those of the total population, with an average gap of 6.7 percentage points.

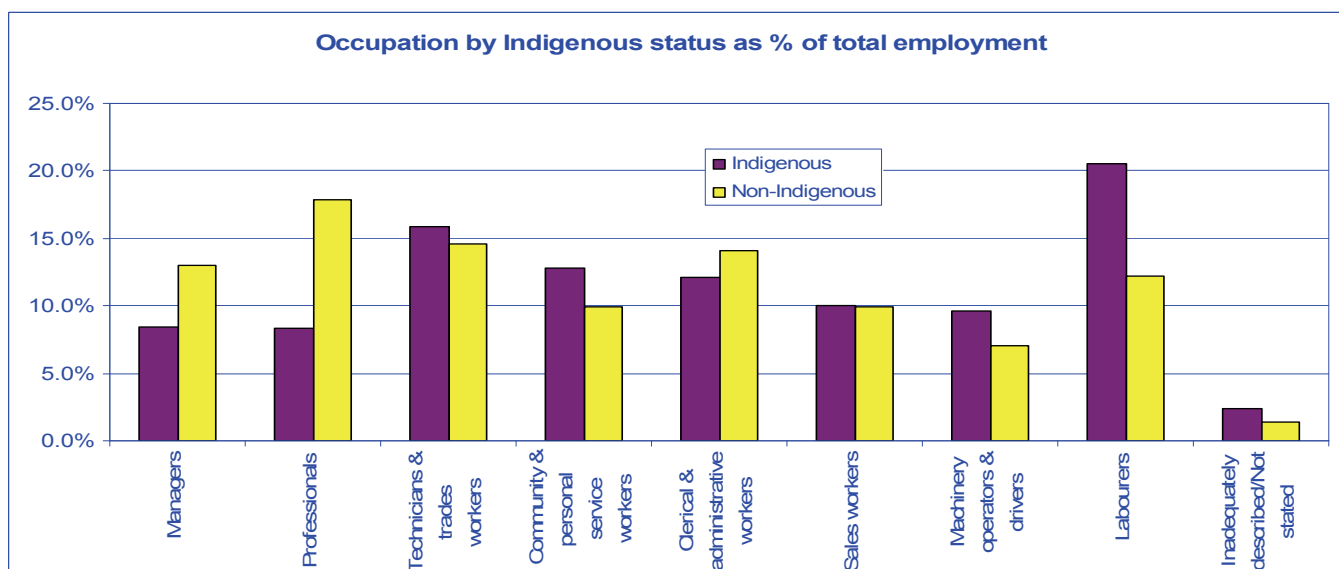
The following graph shows which industries Indigenous people are employed in, compared to non-Indigenous, as a percentage of their respective totals.



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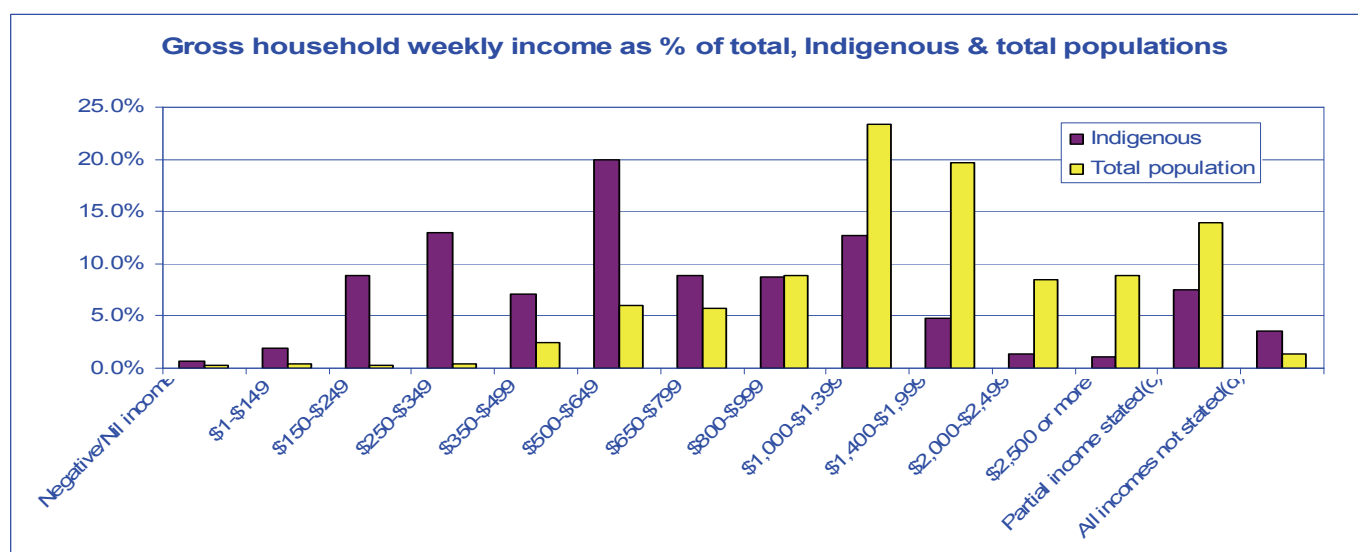
Indigenous workers are over-represented in agriculture, forestry & fishing, manufacturing, construction, and accommodation & food services. Many of the jobs in these industries are casual, low paid, and short-term or seasonal. Indigenous workers are under-represented in financial and insurance services, rental, hiring & real estate services, professional, scientific & technical services, and education & training. These latter industries are characterised by a largely “white collar” profile, a higher proportion of degree qualified people, and a low level of casual/short-term employment.

The next graph compares Indigenous workers to non-Indigenous workers by occupation.



Indigenous people are under-represented in managerial occupations (8.4% compared to 13.0%), professionals (8.3% compared to 17.8%) They are slightly over-represented in technicians and trades workers (15.8% compared to 14.6%), and machinery operators & drivers (9.6% compared to 7.0%) They are significantly over-represented in community service & personal workers - which includes carers, hospitality workers, and medical aides of various kinds - (12.8% compared to 9.9%) and labourers (20.5% compared to 12.2%).

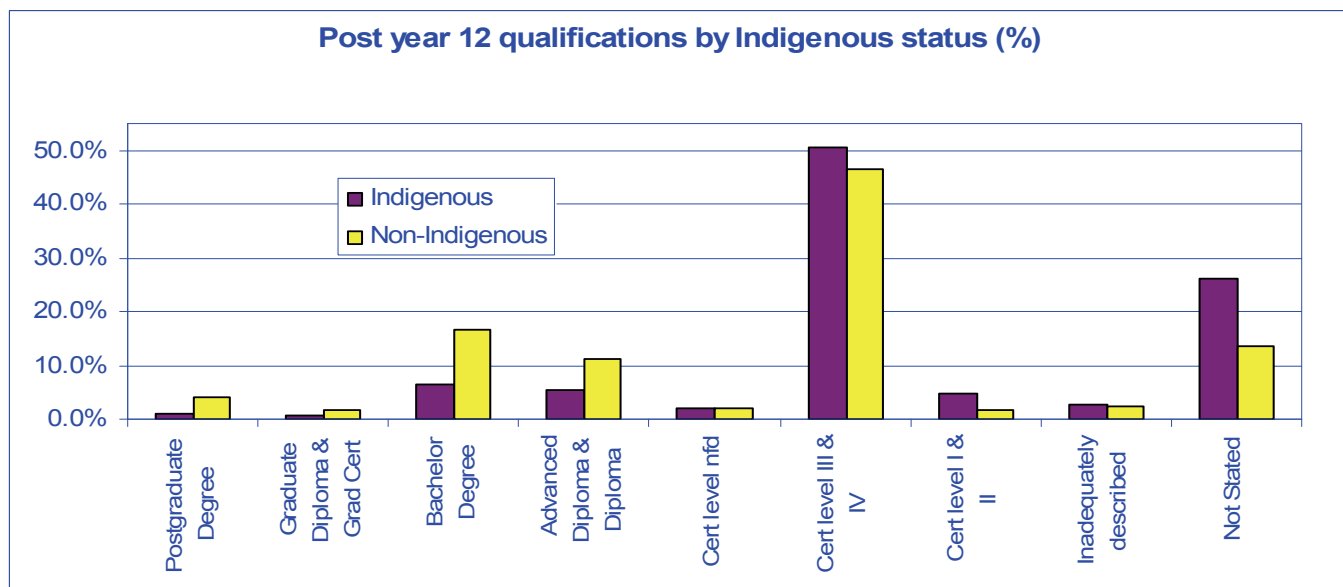
The next graph shows a comparison of household income levels between Indigenous people and the total population. To a large extent, income levels reflect the disparities in occupational levels, shown above.



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The above graph shows that 51.4% of Indigenous households earn less than \$650 per week (\$33,800 pa), compared to 9.8% of total Tasmanian households. This reflects the higher unemployment rates and lower skilled occupations that Indigenous people are over-represented in. On the other side of the coin, 60 per cent of all Tasmanian households had an income of over \$52,000 per year, compared to only 20 per cent of Indigenous people in the State.

Of course, in order to obtain higher level jobs, and therefore incomes, higher level qualifications are required. The next graph compares levels of qualifications between Indigenous and non-Indigenous Tasmanians.



There are more than twice as many non-Indigenous Tasmanians as Indigenous in every category from Diploma level and above, as a percentage of their respective populations. Indigenous Tasmanians are over-represented in the certificate I & II category – 4.8% compared to 1.8% for non-Indigenous. This suggests that even those Indigenous Tasmanians who do have qualifications, tend to have them at the lower end of the scale.

### Summary

The graphs shown in this article clearly demonstrate there is a distinct and significant gap between Indigenous Tasmanians and non-Indigenous Tasmanians across the major labour market and educational indicators. These are just some of the indicators, and there is a wide range of other statistical evidence across school retention issues, literacy and numeracy attainment, health and housing which consistently demonstrate a range of barriers that need to be overcome before Indigenous Tasmanians can achieve the same outcomes as the rest of the population.

## ECONOMIC DEVELOPMENTS IN AUGUST 2009

- Aug 1<sup>st</sup> Tasmania's forest contractors are demanding the introduction of minimum quotas to avoid the type of severe financial consequences being experienced as a result of the global recession. Forest Contractors Association chief executive Ferdie Kroon yesterday said he estimated 50 jobs had been lost in the sector so far this year. Forestry Tasmania has also previously confirmed it expected less work for contractors during the year. (Examiner)
- Aug 1<sup>st</sup> North-West Tasmania employer Grange Resources Ltd appears to be riding out the financial crisis in strong fashion. The Savage River Mine operator yesterday reported it had cut debt by \$U540 million in the June quarter, while magnetite pellet production was up 20% for the quarter. The report said Savage River had sold 380,000 tonnes of

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pellets for the quarter and about 2.2 million tonnes for the 2008-09 financial year, generating more than \$A350 million in revenue. Grange also entered a new three-year off take agreement with Bluescope Steel during the quarter. It was to start on July 1. Meanwhile a collective agreement with the Australian Workers Union covering 211 workers was renewed during the quarter and lodged with the Workplace Authority for approval. (The Advocate)

- Aug 1<sup>st</sup> Tasmanian economist Saul Eslake who is leaving his job of ANZ chief economist to work for the Grattan Institute, a think tank linked to Melbourne University said Australia's economy had confounded the pessimists and Tasmania had fared particularly well. Speaking yesterday to the Launceston Chamber of Commerce, he said the pessimism in the State Government's Budget forecasts was perhaps overdone. Mr Eslake said the state was in a better position to handle the latest challenge compared with the early 1990s, when forced cutbacks by a financially messed-up State Government and the wind-down of hydro industrialisation contributed to a 20 per cent drop in employment. He said Federal Government stimulus dollars were providing a comparatively big bang for Tasmania with its greater proportion of recipients, as well as cheaper homes. Most importantly, all government and reserve bank efforts to salvage the global economy had been effective. (The Mercury)
- Aug 4<sup>th</sup> Forestry Tasmania wants to lease its loss-making tourism venture formerly known as Dismal Swamp located south west of Smithton in North West Tasmania. It wants to hear from operators interested in the venture, now known as Tarkine Forest Adventures. Spokesman Ken Jeffreys says the Forestry Tasmania board is reviewing all tourism ventures. "We've concluded that the same role is not required of Forestry Tasmania." Mr Jeffreys said. ([www.abc.net.au](http://www.abc.net.au))
- Aug 4<sup>th</sup> The Minister for Indigenous Health, Rural and Regional Health, Warren Snowdon, along with Tasmanian MP Sid Sidebottom were in Devonport in the state's north west to announce that local company Vos Construction and Joinery had won the tender to build Devonport's \$5.5 million GP super clinic. Vos Construction begins work next month. (The Advocate)
- Aug 5<sup>th</sup> John Muir's Muir Engineering was named Tasmanian Business of the Year at the Telstra Business Awards in Hobart in the state's south last night. Founder and managing director John Muir began developing boat anchoring technology winches and windlasses in his early 20s. The gear, now exported to more than 40 countries, is used on super-yachts of the rich and famous, and on commercial and smaller pleasure vessels. The company supplies boat builders including Austal, Riviera and International Marine in Australia, Trinity Yachts in the US, Feadship in the Netherlands, Lurssen in Germany and Sunseeker Yachts in Britain. (The Mercury)
- Aug 7<sup>th</sup> More than \$300 million in infrastructure investment is expected to flow from a new industrial estate at Westbury in the state's north west. BOC will soon start building the country's first micro Liquid Natural Gas plant to convert gas from the TasGas pipeline from Victoria into LNG. Six refuelling stations around the state will follow, taking the initial start-up cost to \$150 million. The project was initiated by seven local transport companies who have called themselves LNG Refuellers. The companies will between them buy 120 new LNG-fuelled trucks in the next two years at a cost of \$400,000 each. The Westbury plant is expected to employ about 40 people during construction. (The Advocate)
- Aug 7<sup>th</sup> Transport logistics provider TOLL Holdings and shipping company ANL Container Lines have announced a partnership to create a new shipping service across the Bass Strait,

between Tasmania and Victoria. The joint venture between the companies, known as Toll ANL Bass Strait Shipping, will officially commence on 12 August 2009. ANL will withdraw the ANL Bass Trader from service between Melbourne and Bell Bay, with Toll owning 85 percent of the new company. Toll Managing Director Paul Little said the new venture will be a boost for industry in Tasmania and provide a more effective service for shipping customers. Toll said the move would increase Toll's stake in Tasmanian operations. ([www.au.biz.yahoo.com](http://www.au.biz.yahoo.com))

- Aug 8<sup>th</sup> More than 20 Tasmanian building companies will share the construction projects in the next round of the Federal Building Education Revolution funding. Round two projects will involve 39 funding packages at 52 schools, worth \$85 million in the Tasmanian government school system. A further three packages at another four schools are still to be finalised. Next week, pre-qualified builders will get advance notice of details for the first stage tenders in the final round three funding with the announcement of the successful schools for that round expected to be announced at the end of this month. (Examiner)
- Aug 11<sup>th</sup> The Federal Minister for Communications Stephen Conroy said trench digging to lay fibre cables for the National Broadband Network (NBN) in Tasmania would begin in October. While October has been set for the commencement of civil construction work in Tasmania, yet to be announced is what proportion of the state's network will be underground or carried overhead. Aurora Energy, which jointly owns the Tasmanian NBN Company (TNBN Co) with the national NBN Company, will be responsible for building the network and in late July issued a request for tender for around 1120 kilometres of overhead cable and 40 kilometres of underground cable. ([www.zdnet.com.au](http://www.zdnet.com.au))
- Aug 14<sup>th</sup> A new variety of codeine poppy has won the 2009 C-STAR award. Tasmanian Alkaloid's 'Tasman' variety of poppy beat off four other nominees for the award. Instrumental in its creation was Tony Fist, who's the director of agricultural research at Tas Alkaloids. The new variety yields better than traditional varieties. Mr Fist says the poppy was trialled last year and about 650 hectares will be grown commercially this season. He also said that there's already been interest from overseas. ([www.abc.net.au/rural](http://www.abc.net.au/rural))
- Aug 18<sup>th</sup> News Limited's national newspaper *The Australian* has been printed in Tasmania for the first time in its 45-year history. The first locally-produced edition rolled off the presses yesterday at the company's new \$32 million printing facility in Hobart's Technopark in the south of the state, which comprises a KBA Comet press. The state has been subsisting on editions air-freighted from Melbourne since the newspaper's inception in 1964, with newsagents now able to offer home delivery due to an increased four hours' lead time on shipments of the newspaper. The savings made in removing air-freight from the supply chain will also lead to a reduction in cover prices from \$1.90 to \$1.50, according to a report in *The Australian*. ([www.proprint.com.au](http://www.proprint.com.au))
- Aug 19<sup>th</sup> The Australian and Tasmanian Governments today announced the members of the new Regional Development Australia (RDA) Tasmania committee. The announcement marks the beginning of a new relationship between the federal, state and local governments in Tasmania which will benefit regional communities. The RDA Tasmania committee will have the role of being a first point of contact for regional communities across all levels of government and will promote regional initiatives and partnerships. ([www.media.tas.gov.au](http://www.media.tas.gov.au))
- Aug 19<sup>th</sup> The prospects of the proposed Musselroe Bay wind farm development advanced yesterday with the renewable energy target legislation passing through the House of Representatives. The \$350 million project on the state's North-East is expected to create 150 jobs. Liberal Senator Guy Barnett said that projects such as the Musselroe Bay wind

farm would be given the green light if the energy target legislation, which sets a requirement that 20 per cent of electricity generation comes from renewable sources by 2020, is passed in the Senate. A vote is expected in the upper house today. (The Examiner)

- Aug 20<sup>th</sup> Business development manager for Fruit Growers Tasmania, Lucy Gregg, told the Weekly Times Now this week that the state's cherry harvest now stood at around 3,000 tonnes, double the volume seen two years ago, with the growth showing no sign of letting up. Cherry exports from Tasmania hold a distinct advantage over fruit from mainland Australia as it is free of Queensland fruit fly, giving it greater access to overseas markets, while it also holds a seasonal advantage. "Exports were up 30 per cent last season as a result of export initiatives" Ms Gregg said. (www.fruitnet.com)
- Aug 22<sup>nd</sup> The State Government has given Tasports the go-ahead to sell the Devonport Airport in the states north west, it was announced yesterday. A condition of the sale will be for the new owner to be legally bound to continue the commercial operation of the Devonport Airport, said the Tasmanian Treasurer Michael Aird. (The Examiner)
- Aug 22<sup>nd</sup> A Hobart company wants to build a geothermal energy plant in the north east of Tasmania and turn natural underground heat into electricity. Geopower has been granted an exploration licence over a lease of about 5000 sq km north-east of Scottsdale. The company is currently seeking to raise \$500,000 to continue exploration but will need \$300 million long-term to build a 100-megawatt plant. (The Mercury)
- Aug 25<sup>th</sup> Gunns Ltd plans to transform its disused Tonganah Auspine site at Scottsdale in the states north east into a new veneer peeler plant. It is understood that Gunns is close to making an announcement about the project, which was previously planned for Western Junction until a group of residents mounted a campaign against it. The \$22 million plant would employ up to 40 people and put more than \$2 million in annual wages back into the local community. (The Examiner)
- Aug 29<sup>th</sup> East Devonport carpet factory Tascot in the state's north west has won a million dollar contract to manufacture the carpets for the upmarket Westin Hotel in Melbourne, Victoria. The company employs 155 people at its East Devonport site. (The Advocate)
- Aug 29<sup>th</sup> A \$100 million redevelopment of 10 Murray St in Hobart's CBD in Southern Tasmania will see the old 1960's building demolished and replaced by new office buildings and an open public space. Sydney development firm Citta Property Group paid \$7.5 million for the site and plans to turn it into Hobart's version of Melbourne's Federation Square. (The Mercury)
- Aug 29<sup>th</sup> A survey by the Tourism and Transport Forum has found that Tasmanian tourism operators were handling the financial downturn better than those interstate. Tasmanian operators reported fewer staff cuts than interstate. However, the survey found that 30 per cent of Tasmanian tourism stakeholders expected tourism performance over the next six months to be worse or much worse than the previous six months. (The Mercury)
- Aug 29<sup>th</sup> Car parts manufacturer ACL located in Launceston in Northern Tasmania has been placed into receivership after directors believed they could not continue trading despite a \$5 million Federal Government Grant in June this year. ACL has 277 employees. The Tasmanian Treasurer Michael Aird plans to have regular meetings with the receivers, but said that he could not do anything to ensure workers received the estimated \$30 million entitlements owed to them. (The Mercury)
- Aug 29<sup>th</sup> A review of the Labor Government's \$42 billion Nation Building Plan stimulus package has resulted in an extra \$1.5 billion being allocated to 2,746 Australian primary schools after demand for funds exceeded original expectations. Funding cuts have also been

recommended to be made to social housing, home energy efficiency and high school language centre programs. (The Examiner)

- Aug 30<sup>th</sup> Braddon Labor MHR Sid Sidebottom announced \$1million worth of Federal funding for Burnie in North West Tasmania. Mr Sidebottom said the money would go to the Burnie City Council's three sporting priority projects: \$450,000 for the Burnie United soccer clubrooms, to replace substandard facilities; \$350,000 towards a proposed indoor sports facility at West Park (which would include indoor cricket training and other sports training facilities, plus possible function space); and, \$200,000 to help relocate the Burnie Bowls Club from West Park to Cooe. (The Advocate)
- Aug 31<sup>st</sup> Another outbreak of a deadly abalone virus has been detected in southern Tasmania. Authorities discovered the virus at a processing plant last Thursday. Laboratory testing confirmed the presence of abalone viral ganglioneuritis. The virus has the potential to devastate the state's \$100 million abalone industry. The state's chief veterinary officer Rod Andrewartha yesterday said action had been taken at the facility to contain the virus. Tasmanian Abalone Council chief executive Dean Lisson said the industry was looking at reducing the impact of the virus by improving the way it managed abalone. Mr Lisson said there was growing evidence the virus was endemic and only attacked abalone when they were under stress while stored in holding tanks for live export. Mr Lisson said the industry was looking at measures to decrease stress levels in storage tanks. (The Mercury)