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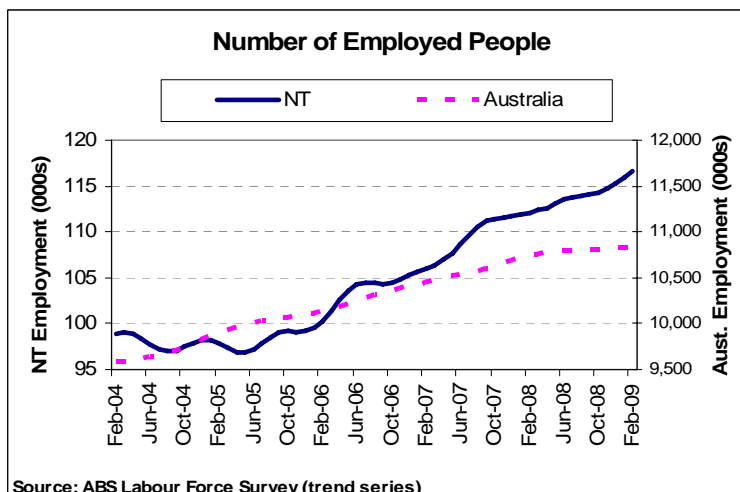
NORTHERN TERRITORY LABOUR MARKET REVIEW

January 2009

According to the ABS Labour Force Survey trend series for January 2009, the Northern Territory (NT) unemployment rate increased to 4.2 per cent. This is an increase of 0.2 percentage points from the previous month which had been revised from 3.8 to 4.0 per cent. The unemployment rate has now increased for the past six months from a low of 3.0 per cent in July, but remains below the national rate of 4.6 per cent. The NT participation rate increased to 73.1 per cent in January and has now returned to its highest level in over a year. Growth in both the number of people employed and unemployed occurred in January bringing the size of the NT labour force to over 117 000 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.

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 (December Access Economics Business Outlook). However, GSP is forecast to shrink in 2010-11 and 2011-12, while nationally GDP strengthens. The NT has, at least initially, been resilient to the current economic environment. The November Sensis Business Index for small and medium enterprises indicates NT business confidence, sales volume and profitability, although having declined, remain strong in comparison to Australia overall; where there has been dramatic deterioration. The NT's strong economic conditions have been leveraged on the resources boom and continued strength is based on remaining momentum from projects initiated when global conditions were considerably more favourable. This momentum has already begun to wain (as layoffs at some major NT mining sites indicate) and the planned construction of the \$12 billion Inpex gas plant will be a key to the future direction of the NT economy.



Employment Trends

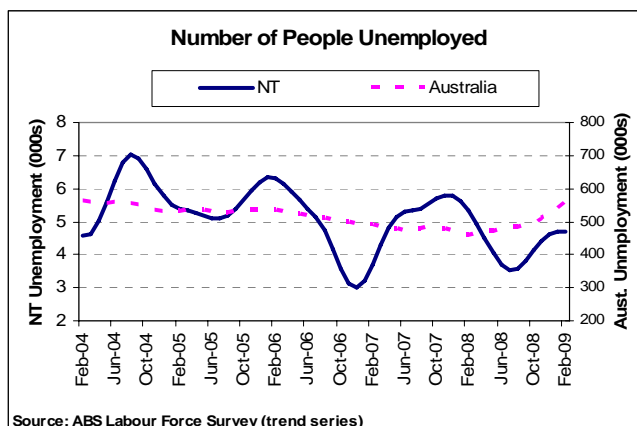
- In January there were 112 700 employed persons in the NT which is an increase for the month and growth of 3.5% for the year.
- Male employment increased to 62 200, while female employment (at 50 500) has remained stable for the past six months.
- National employment remained stable at 10 745 000 in January, but has increased by 1.0% 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.

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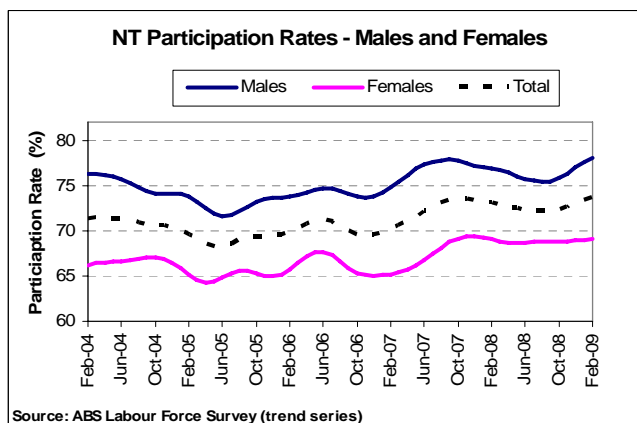
Unemployment Trends

- There were approximately 5000 unemployed persons in the NT in January.
- Male unemployment increased to 2900 in January while female unemployment increased to 2100.
- Nationally the number of unemployed people (at 521 200) increased in January and is 13.2% higher than 12 months ago.
- Nationally the labour force has grown by 1.5% over the past year, while the NT labour force has grown by 2.9%.



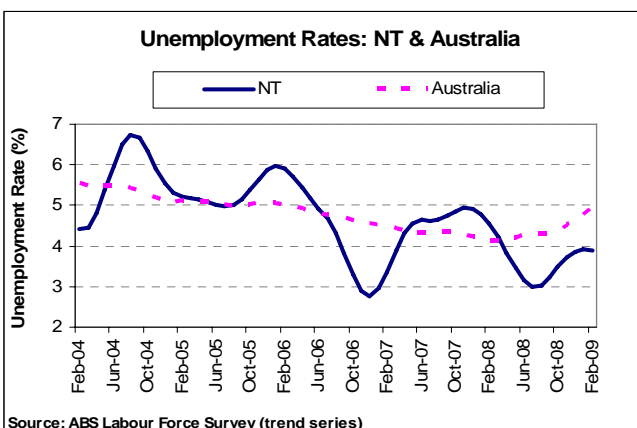
Participation Rate Trends

- The NT participation rate increased to 73.1% in January and is now 0.1 percentage point higher than a year ago.
- The male participation rate is 0.5 percentage points higher and the female participation rate is 0.4 percentage points lower than 12 months ago.
- The national participation rate declined marginally to 65.0% in January.



Unemployment Rate Trends

- The current trend unemployment rate for the NT is 4.2%, which is 0.6 percentage points lower than the same time last year.
- The male NT trend unemployment rate was estimated to be 4.4%, which is 0.4 percentage points lower than 12 months ago.
- The female rate was estimated to be 4.0%, which is 0.8 percent points lower than 12 months ago.
- Nationally the trend unemployment rate increased to 4.6% in January.



Full Time Employment

- Full-time employment in the NT increased to 91 200 people in January to a new record level.
- Full-time employment increased for both males and females in January (reaching 55 500 and 35 700 respectively).
- Nationally, full-time employment declined in January and is now just 0.5% higher than 12 months ago.
- Full-time employment in the NT, at 80.9% in January, accounts for a greater proportion of total employment than nationally (71.3%).

