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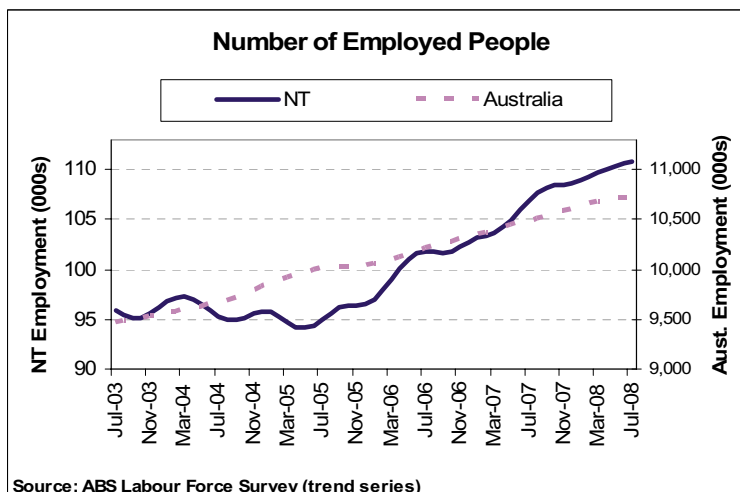
NORTHERN TERRITORY LABOUR MARKET REVIEW

July 2008

According to the ABS Labour Force Survey trend series for July 2008, the Northern Territory (NT) unemployment rate decreased to 2.9 per cent. This is a decline of 0.3 percentage points from the previous month which had been revised from 3.6 to 3.2 per cent. The unemployment rate has declined each month so far this year and is currently below the national rate of 4.3 per cent and only marginally above the low of 2.8 per cent recorded in 2006. The NT participation rate has been in decline so far this year and fell to 71.8 per cent in July. The number of people employed has continued to grow with a record 110 800 employed in July. However, the size of the NT labour force has declined marginally after peaking in March, at 114 500 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 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 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 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. Advertised vacancies in the NT (ANZ Job Ad Series), although declining so far this year, have grown strongly over the past three years.



Employment Trends

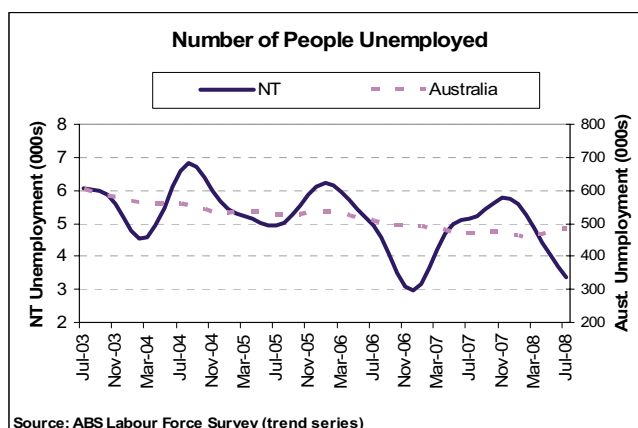
- In July there were 110 800 employed persons in the NT, a new record level and growth of 3.7% over the year.
- Male employment increased to 60 700 and female employment increased to 50 200 in July.
- National employment grew to 10 718 800 in July and has increased by 2.3% over the past twelve months.

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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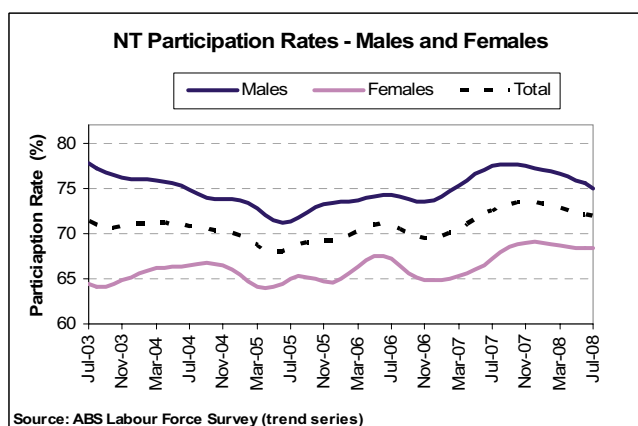
Unemployment Trends

- There were approximately 3400 unemployed persons in the NT in July.
- Male unemployment declined to 1600 in July and female unemployment declined to 1700.
- Nationally the number of unemployed people (at 481 700) increased 1.0% over the month and is now 2.6% higher than the same time last year.
- Nationally the labour force has grown by 2.3% over the past year, while the NT labour force has grown by 1.9%.



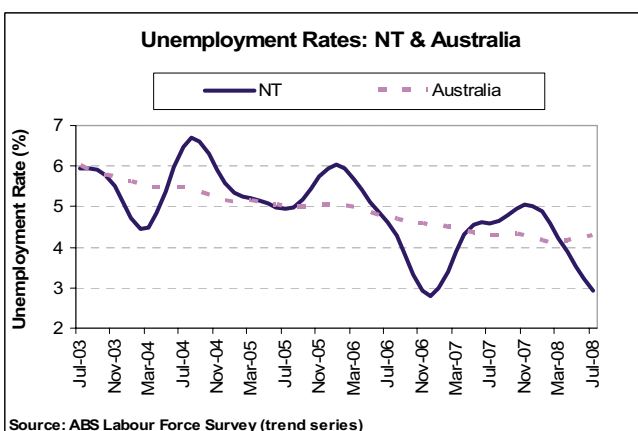
Participation Rate Trends – NT and Australia

- The NT participation rate decreased to 71.8% in July and is now 1.6 percentage points lower than the high of last year.
- The male participation rate is 2.4 percentage points lower than 12 months ago.
- The female participation rate is 1.2 percentage points higher than 12 months ago.
- The national participation rate remained stable at 65.3% in July.



Unemployment Rate Trends – NT and Australia

- The current trend unemployment rate for the NT is 2.9%, which is 1.7 percentage points lower than the same time last year.
- The male NT trend unemployment rate was estimated to be 2.6%, which is 2.3 percentage points lower than 12 months ago.
- The female rate was estimated to be 3.3%, which is 0.9 percentage points lower than 12 months ago.
- Nationally the trend unemployment rate remained stable at 4.3% in July.



Full Time Employment

- Full-time employment in the NT peaked in March and has now dropped back to 85 000 people, a number similar to a year ago.
- Full-time employment decreased for both males and females in July (to 51 300 and 33 700 respectively).
- Nationally, full-time employment grew in July and is now 2.3% higher than 12 months ago.
- Full-time employment in the NT, at 76.7% in July, accounts for a greater proportion of total employment than nationally (71.7%). However, so far this year employment growth in the NT has been in part-time positions.

