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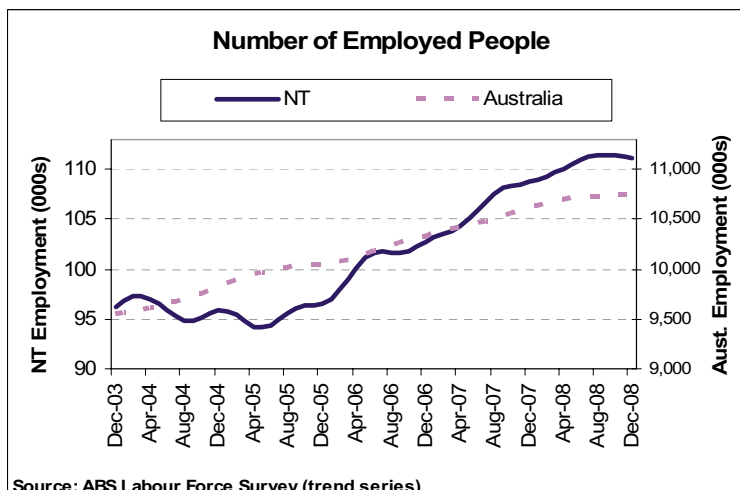
# NORTHERN TERRITORY LABOUR MARKET REVIEW

## December 2008

According to the ABS Labour Force Survey trend series for December 2008, the Northern Territory (NT) unemployment rate increased to 3.8 per cent. This is an increase of 0.1 percentage point from the previous month which had been revised from 3.8 to 3.7 per cent. The unemployment rate has now increased for the past five months from a low of 3.0 per cent in July, but remains below the national rate of 4.4 per cent. The NT participation rate was 72.0 per cent in December and has declined gradually during 2008. Growth in the number of people employed has paused with employment remaining at a little over 111 000 since July. The size of the NT labour force has also been relatively steady in recent months and remained at 115 500 people in December.

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 a key to the future direction of the NT's economy will be whether construction of the \$12 billion INPEX gas plant commences as planned.



### Employment Trends

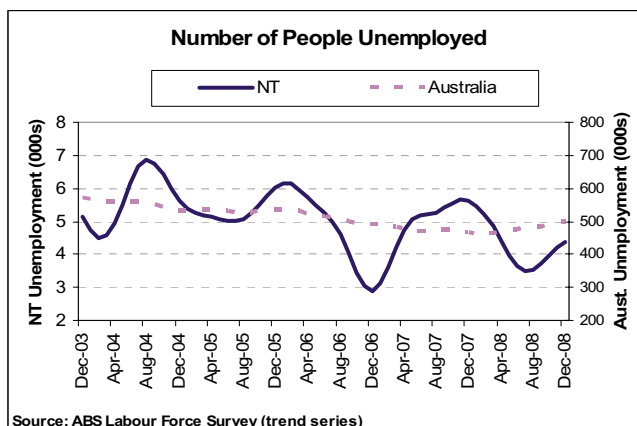
- In December there were 111 100 employed persons in the NT which is 2.4% growth for the year, but a gradual decline since July.
- Male employment remained stable at 61 000 and female employment declined to 50 000 in December.
- National employment grew marginally to 10 749 400 in December and has increased by 1.3% 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.

**Disclaimer:** This report December 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.

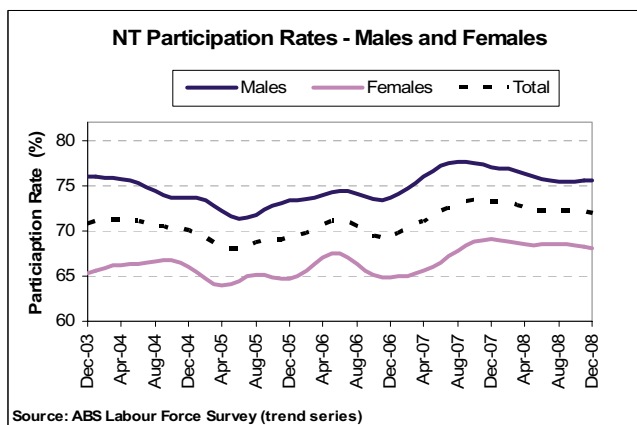
### Unemployment Trends

- There were approximately 4400 unemployed persons in the NT in December.
- Male unemployment increased to 2400 in December while female unemployment remained at 2100.
- Nationally the number of unemployed people (at 498 100) increased by 7.1% during 2008.
- Nationally the labour force has grown by 1.5% over the past year, while the NT labour force has grown by 1.0%.



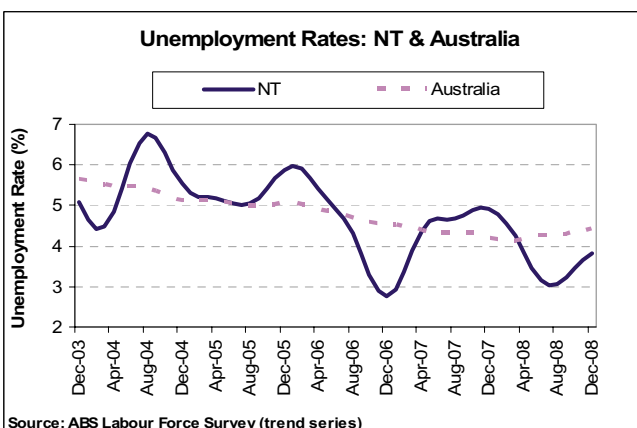
### Participation Rate Trends

- The NT participation rate declined to 72.0% in December and is now 1.3 percentage points lower than a year ago.
- The male participation rate is 1.6 percentage points lower and the female participation rate is 1.0 percentage point lower than 12 months ago.
- The national participation rate declined marginally to 65.0% in December.



### Unemployment Rate Trends

- The current trend unemployment rate for the NT is 3.8%, which is 1.1 percentage points lower than the same time last year.
- The male NT trend unemployment rate was estimated to be 3.7%, which is 1.1 percentage points lower than 12 months ago.
- The female rate was estimated to be 3.9%, which is 1.1 percent points lower than 12 months ago.
- Nationally the trend unemployment rate remained stable at 4.4% in December.



### Full Time Employment

- Full-time employment in the NT increased to 88 700 people in December to a new record level.
- Full-time employment increased for both males and females in December (reaching 54 000 and 34 600 respectively).
- Nationally, full-time employment declined in December, but remained 0.8% higher than 12 months ago.
- Full-time employment in the NT, at 79.8% in December, accounts for a greater proportion of total employment than nationally (71.3%).

