AUSTRALIAN LABOUR MARKET UPDATE

April 2007

Are you looking for a job in Australia?

The *Australian Labour Market Update* provides information on the Australian labour market on a quarterly basis. It is intended to help people who may be interested in working in Australia on a temporary or permanent basis.

Further information on job prospects, earnings and related information is available online at **Australian Jobs 2006**, available through http://www.workplace.gov.au.

Unless otherwise stated, data are from the Australian Bureau of Statistics (ABS) Labour Force Survey, February 2007.

OVERVIEW

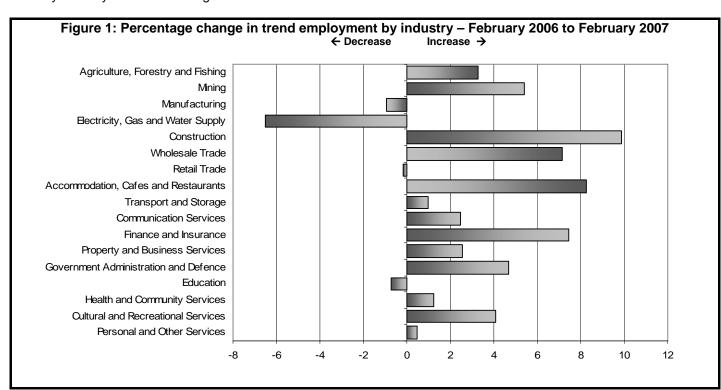
In the 12 months to February 2007, the Australian labour market continued to experience solid growth. In trend terms, total employment increased by an estimated 288 000 persons (2.9%). Advertised vacancies increased for Professionals and decreased for Trade Occupations. Migrants with the best employment prospects are those who are highly skilled with recognised post-secondary qualifications and strong proficiency in the English language.

EMPLOYMENT

Over the 12 months to February 2007, trend employment in Australia grew by 2.9% after growth of 1.6% in the previous year.

Employment (in trend terms) increased in all States and Territories except Tasmania. In percentage terms, employment growth was strongest in Queensland (5.7%) and the Northern Territory (4.4%).

Employment opportunities and growth varied across industries. Over the 12 months to February 2007, the largest increases in trend employment occurred in Construction (up by 86 600), Accommodation, Cafes and Restaurants (up by 39 100) and Wholesale Trade (up by 31 200). The strongest rates of employment growth were in Construction (9.9%), Accommodation, Cafes and Restaurants (8.2%) and Finance and Insurance (7.4%). Employment growth rates by industry are shown in Figure 1.



Source: ABS Australian Labour Market Statistics, April 2007, ABS Cat. No. 6105.0.

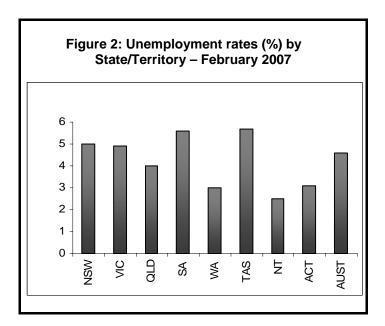
UNEMPLOYMENT

The trend rate of unemployment was 4.6% in February 2007, compared with 5.1% in February 2006.

In the past year, trend unemployment rates have decreased in all States and Territories except for South Australia.

In February 2007, the trend unemployment rate was highest in Tasmania at 5.7% and South Australia at 5.6% and lowest in the Northern Territory at 2.5%. See Figure 2.

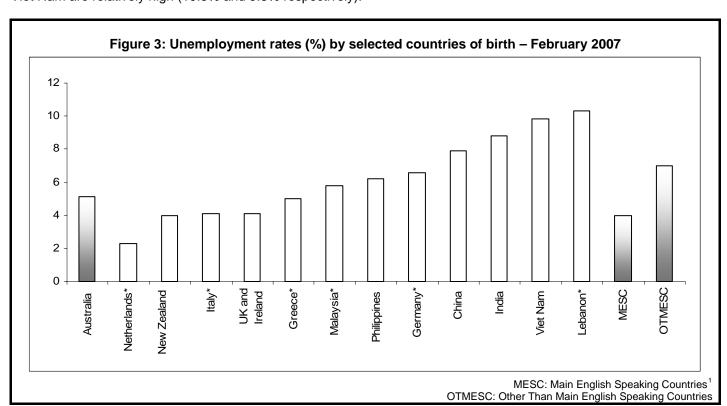
Generally, people in the more highly-skilled occupational groups are less likely to experience unemployment. For example, in February 2007 the unemployment rate for those who were formerly employed as Labourers and Related Workers was four times that of former Professionals.



MIGRANT UNEMPLOYMENT

The unemployment rates for people who migrate to Australia vary appreciably. Several factors influence migrant unemployment rates including the period since arrival in Australia (data consistently shows that recently-arrived migrants generally have a higher unemployment rate than those who have lived in Australia for some years), skill level, age, English proficiency and recent and relevant work experience.

Figure 3 below shows unemployment rates (original data) for people now resident in Australia who were born in selected overseas countries. For example, people born in the Netherlands and New Zealand have low unemployment rates (2.3% and 4.0% respectively), whereas unemployment rates for people born in Lebanon and Viet Nam are relatively high (10.3% and 9.8% respectively).



^{*} Estimate is subject to high sampling variability.

¹ MESC are the United Kingdom, Ireland, South Africa, Canada, the United States of America and New Zealand.

EMPLOYMENT AND UNEMPLOYMENT BY OCCUPATION

While employment growth is not the only factor influencing job prospects, it is often easier to obtain a job in an occupation which is experiencing strong employment growth than one growing only slowly or declining. Over the 12 months to February 2007, the largest increases in employment (original data) occurred for Associate Professionals (up by 121 700), Intermediate Production and Transport Workers (up by 83 500) and Intermediate Clerical, Sales and Service Workers (up by 57 400). Employment growth rates, in declining skill order, are shown below.

The unemployment rate for occupational groups generally reflects skill levels. Highly skilled occupational groups experience lower rates of unemployment, while higher unemployment rates are generally associated with less skilled occupations. The unemployment rates (for those who had worked for two weeks or more in the past two years) by occupational group are presented in descending skill order below.

Percentage Growth Rates in Employment in the 12 months to February 2007							
Managers and Administrators	-2.6%						
Professionals	0.5%						
Associate Professionals	9.9%						
Tradespersons	3.3%						
Advanced Clerical and Service Workers	-4.6%						
Intermediate Clerical, Sales and Service	3.5%						
Intermediate Production and Transport	10.2%						
Elementary Clerical, Sales and Service	-2.7%						
Labourers and Related Workers	5.1%						

Unemployment Rate at February 2007	7
Managers and Administrators	1.7%
Professionals	1.8%
Associate Professionals	2.2%
Tradespersons	3.1%
Advanced Clerical and Service Workers	2.0%
Intermediate Clerical, Sales and Service	3.3%
Intermediate Production and Transport	4.0%
Elementary Clerical, Sales and Service	5.2%
Labourers and Related Workers	7.2%

Additional information on Professional and Trade occupations is provided in the following section on skilled vacancies. Time series of vacancy data are not readily available for less-skilled occupations.

SKILLED VACANCY TRENDS²

The Department of Employment and Workplace Relations produces the <u>Skilled Vacancies Index (SVI)</u> for 18 skilled occupational groups for each State and the Northern Territory (NT). These are aggregated into the Professional, Associate Professional and Trade groups. The SVI indicates where the best employment opportunities may be in the Australian labour market.

In February 2007, skilled vacancies were 6.1% higher than in February 2006. Over the 12 months, SVI increases were recorded in South Australia (up by 16.2%), Queensland (up by 15.6%) and Western Australia (up by 15.4%). The most significant SVI decrease was recorded in Victoria (down by 13.2%), with smaller decreases in Tasmania, the Northern Territory and New South Wales, down by 7.3%, 3.7% and 2.2% respectively.

In the 12 months to February 2007, advertised vacancies increased for Professional occupations (up by 11.4%) and for Trade occupations (up by 1.7%) (see Figure 4 overleaf). Within these broad groups, the majority of occupations recorded an increase in skilled vacancies. The most significant increases were for Wood Trades (up by 49.2%), Printing Trades (up by 39.0%), Organisation and Information Professionals (up by 37.7%), Marketing and Advertising Professionals (up by 31.0%) and Food Trades (down by 20.6%). Decreases occurred for Electrical and Electronics Trades (down by 20.2%), Science Professionals (down by 9.7%) and Chefs (down by 6.5%).

² Historical series of trend figures are revised monthly.

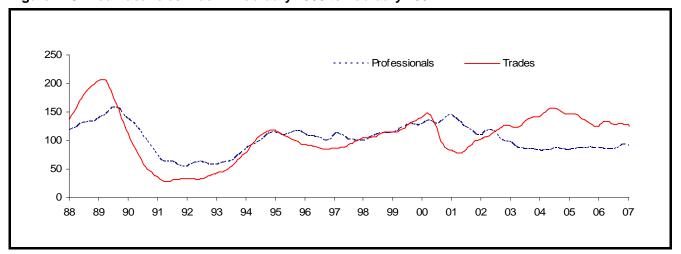


Figure 4: Skilled Vacancies Index - February 1988 to February 2007

FUTURE JOB PROSPECTS

Future job prospects depend on many factors, some of which are difficult to predict. Prospects differ between and within States and Territories and can change rapidly. Even in occupations with below average prospects, significant employment opportunities may arise. This information should therefore be used with caution.

The following future job prospect ratings are for the period to 2010-11. The ratings are based on employment trends and projected growth, unemployment rates, SVI trends (where available), and other data.

In the following table VG stands for very good prospects, G for good prospects, A for average prospects, BA for below average prospects and L for limited prospects. These are examples from the skilled classifications categories; refer to the Australian and New Zealand Standard Classification of Occupations (ANZSCO), First Edition (ABS Cat. No. 1220.0).

Occupational Group	Prospects to 2010-11	Occupational Group	Prospects to 2010-11
Managers and Administrators		Associate Professionals	
Child Care Co-ordinators*	VG	Building, Architectural and Surveying Associates	G
Finance Managers	VG	Dental Therapists, Technicians and Hygienists	G
Information Technology Managers	VG	Enrolled Nurses	G
Professionals		Financial Dealers and Brokers	VG
Accountants*	VG	Medical Technical Officers	VG
Chemical Engineers*	G	Metallurgical Technicians and Mine Deputies	Α
Computing Professionals* (part)	G	Trade Qualified Chefs* (part)	VG
General Medical Practitioners*	VG	Tradespersons	
Medical Imaging Professionals* (part)	VG	Bakers and Pastrycooks*	Α
Mining and Materials Engineers* (part)	G	Bricklayers*	G
Occupational Therapists*	VG	Cabinetmakers*	G
Pharmacists* (part)	VG	Carpenters and Joiners*	G
Physiotherapists*	VG	Electricians*	VG
Primary School Teachers	G	Hairdressers*	VG
Registered Nurses*	VG	General Mechanical Engineering Tradespersons	G
Registered Mental Health Nurses*	VG	Motor Mechanics*	G
Registered Midwives*	VG	Plumbers*	G
Secondary School Teachers	VG	Printing Machinists	BA
Social Workers	G	Refrigeration and Airconditioning Mechanics*	G
Specialist Medical Practitioners*	VG	Textile and Footwear Machine Operators	L

^{*} denotes occupations that are listed in part or in full on the Migration Occupations in Demand List (MODL) gazetted on 20 September 2006. The Australian Labour Market Update uses the latest available detailed and consistent data at time of production. However, the labour market can change quickly and should be re-assessed prior to making a decision to lodge a visa application. Queries relating to this publication should be emailed to migration@dewr.gov.au.





AUSTRALIA – its States and Territories

This Hot Topic focuses on the Australian States and Territories (the States), and provides an overview of the Australian population, its regional distribution and relative economic performance. It is an annual publication included in the April edition of the Australian Labour Market Update.

THE AUSTRALIAN POPULATION

Australia's population is concentrated in the major capital cities of Sydney, New South Wales (20.8% of the total population) and Melbourne, Victoria (17.9% of the total population). The States which experienced the strongest population growth over the 12 months to 30 June 2006 were Western Australia (up by 2.0%) and Queensland (up by 1.9%), while Tasmania experienced the weakest growth (0.7%).

Table A The Distribution of the Australian Population as at 30 June 2006*										
	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	AUST**	
Population	6 827 694	5 091 666	4 053 444	1 554 656	2 050 884	488 948	206 688	328 817	20 605 488	
Capital City	4 293 105	3 684 461	1 820 375	1 138 833	1 507 949	205 510	113 955	328 441	13 092 629	
Balance of State	2 534 589	1 407 205	2 233 069	415 823	542 935	283 438	92 733	376	7 512 859	
Share of Australian Population (%)	33.1	24.7	19.7	7.5	10.0	2.4	1.0	1.6	100.0	
Capital City	20.8	17.9	8.8	5.5	7.3	1.0	0.6	1.6	63.5	
Balance of State	12.3	6.8	10.8	2.0	2.6	1.4	0.5	0.0	36.5	
Aged 15 years and over	26.8	20.0	15.7	6.2	8.0	1.9	0.8	1.3	80.7	
Aged 65 years and over	4.6	3.4	2.4	1.2	1.2	0.3	0.0	0.2	13.3	
Population growth (%)***	0.9	1.4	1.9	0.8	2.0	0.7	1.6	0.9	1.3	

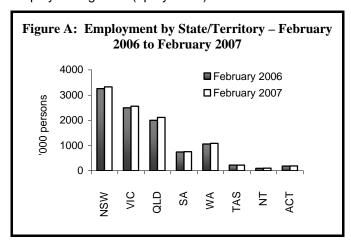
Estimated resident population at 30 June 2006 is preliminary.

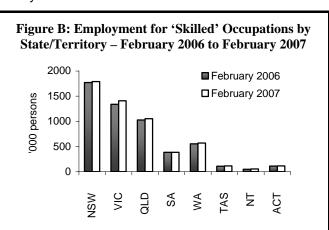
Source: Australian Bureau of Statistics (ABS) 2007, Australian Demographic Statistics, September Quarter 2006, ABS Cat. No. 3101.0.

STATE AND TERRITORY EMPLOYMENT

Trend employment increased in all States and Territories except Tasmania over the 12 months to February 2007. As Figure A below shows, New South Wales (3.3 million), Victoria (2.6 million) and Queensland (2.1 million) had the highest employment. Of the States and Territories, Queensland had the highest employment growth in percentage terms (up by 5.7%) over the 12 months to February 2007.

Figure B shows that New South Wales (1.8 million), Victoria (1.4 million) and Queensland (1.1 million) employ the largest number of workers in 'skilled' occupations (Managers and Administrators, Professionals, Associate Professionals, Tradespersons and Related Workers) (original data). Of these States, Victoria recorded the highest employment growth (up by 5.3%) over the 12 months to February 2007.





^{**} Australia includes other territories not represented individually in this table.

^{***} Percentage growth in the 12 months from 30 June 2005 to 30 June 2006.



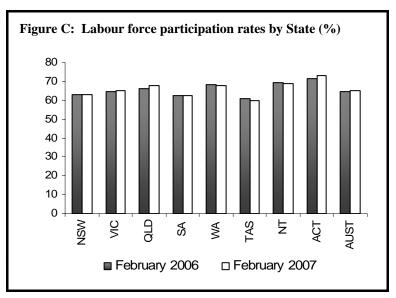
STATE AND TERRITORY LABOUR FORCE

The labour force participation rate is calculated by expressing the labour force as a percentage of the civilian population aged 15 and over. (The labour force is employed persons plus unemployed persons.)

Over the 12 months to February 2007, the labour force participation rate for Australia (original data) increased slightly by 0.4 percentage points to 65.1% (see Figure C). The Australian Capital Territory and Queensland recorded the largest increase in the participation rate over this period, while Tasmania, the Northern Territory, Western Australia, and South Australia recorded a decrease.

Full-time employment (original data) increased by 3.1% in the 12 months to February 2007, while part-time employment increased by 2.4%.

Male full-time employment increased by 2.8% and female full-time employment increased by 3.6%. Male part-time employment increased by 4.3% and female part-time employment increased by 1.7%.



INDUSTRY BY STATE AND TERRITORY

Table B below provides estimates of the percentage of employment in each State that relates to each particular industry (original data). As can be seen, the Australian Capital Territory has a relatively high proportion of employed persons in Government Administration and Defence, Western Australia in Mining, South Australia and Victoria in Manufacturing, South Australia in Health and Community Services and New South Wales in Finance and Insurance. The industries that employ the largest number of persons in Australia are Retail Trade, Property and Business Services, Health and Community Services, and Manufacturing.

Table B Employment Distribution by Industry, States and Territories Average of 4 quarters to February 2007 (% of total)										
INDUSTRY	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	AUST	
Agriculture, Forestry & Fishing	3.1	3.1	3.7	4.9	4.1	6.6	2.8	0.5	3.5	
Mining	0.7	0.3	1.7	1.5	4.9	1.0	1.9	*0.1	1.3	
Manufacturing	9.6	12.7	9.3	12.9	9.3	9.8	3.3	2.9	10.3	
Electricity, Gas & Water										
Supply	0.7	0.9	8.0	0.8	1.0	1.3	1.2	0.7	0.8	
Construction	8.6	8.9	10.5	7.4	10.1	7.3	7.8	6.9	9.0	
Wholesale Trade	4.9	5.2	3.9	4.3	4.3	4.2	3.3	1.6	4.6	
Retail Trade	14.7	14.2	15.5	14.8	14.3	14.9	12.6	11.6	14.6	
Accommodation, Cafes &										
Restaurants	5.2	4.2	5.2	4.1	4.3	6.1	6.4	4.6	4.8	
Transport & Storage	4.7	4.4	5.4	4.2	3.8	4.3	4.7	2.1	4.6	
Communication Services	2.1	2.1	1.4	1.6	1.4	1.1	1.4	1.6	1.8	
Finance & Insurance	5.0	4.0	2.9	2.9	2.7	2.2	2.2	2.2	3.8	
Property & Business Services	12.9	11.8	11.7	10.0	12.0	8.6	10.4	13.3	12.0	
Government Administration &										
Defence	4.0	3.5	5.1	4.4	4.7	6.0	12.1	27.0	4.8	
Education	6.7	7.2	6.9	7.3	6.7	7.3	7.5	8.4	7.0	
Health & Community Services	10.2	10.9	9.9	13.1	9.6	11.8	11.9	8.7	10.5	
Cultural & Recreational										
Services	2.8	2.9	2.4	2.2	2.5	2.8	4.4	3.8	2.7	
Personal & Other Services	4.1	3.5	3.8	3.8	4.2	4.4	6.3	4.0	3.9	
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	

Source: ABS Labour Force Survey original data for the 4 quarters to February 2007.

Unless otherwise stated, data are from the Australian Bureau of Statistics (ABS) Labour Force Survey, February 2007.

^{*} Indicates an estimate which is subject to sampling variability too high for most practical purposes.