

ECONOMIC NOTE

LABOUR FORCE, May 2009

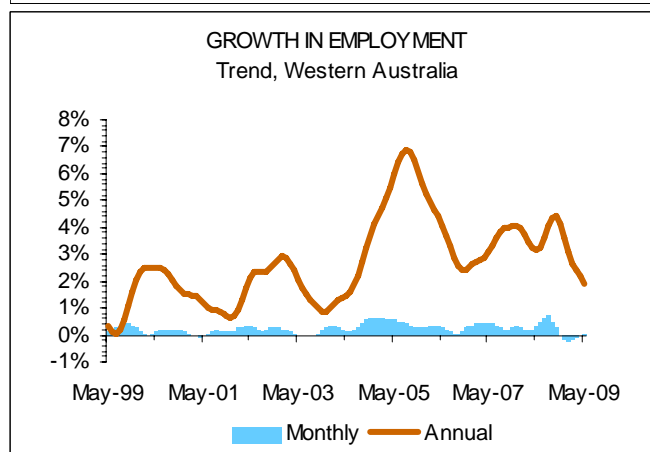
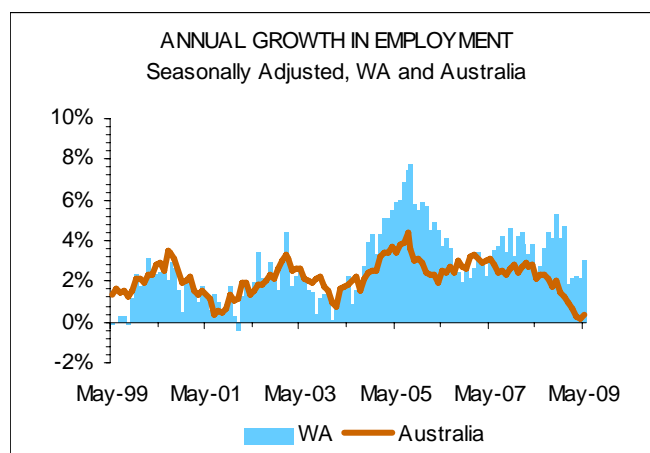
Analysis

Labour force estimates released today show somewhat mixed results. In seasonally adjusted terms, employment in Western Australia grew by 0.6% in May. However, the State's labour force participation rate increased by 0.5 percentage points over May (to 69.5%), resulting in the State's unemployment rate rising by 0.3 percentage points to 4.9% in May, from 4.6% in April.

Employers in the State have favored hiring part-timers during the recent downturn – the estimated number of full-time employees is down 26,000 persons from a peak of 859,300 in October 2008, to 833,200 in May 2009. Part-time employment has risen by 15,800 persons over the same period (from an estimated 324,100 persons in October 2008 to 340,000 in May 2009).

Nationally, employment was unchanged over May, while there was a small (0.1 percentage point) rise in the participation rate. As a result, the nation's unemployment rate edged 0.2 percentage points higher to 5.7% in May.

NOTE: Caution should be used in interpreting monthly labour force movements (particularly those for the states and territories). From July 2008, the Labour Force Survey sample was cut by 24%. This has increased the monthly volatility of the seasonally adjusted estimates, making analysis of short-term movements difficult. This volatility is reduced for trend series data (see second chart, and also trend data below), although trend data for recent months can sometimes have sizeable revisions.



Key Facts

Employment - Seasonally Adjusted

Seasonally adjusted employment in Western Australia grew by 0.6% to 1,173,194 between April & May. Employment rose by 3.0% over the year and grew by 0.6% over the three months to May 2009. Australia's seasonally adjusted employment was unchanged at 10,793,113 between April and May. Employment grew by 0.3% over the 12 months and fell by 0.1% in the three months ending in May.

GROWTH IN EMPLOYMENT BY STATE
May 2009

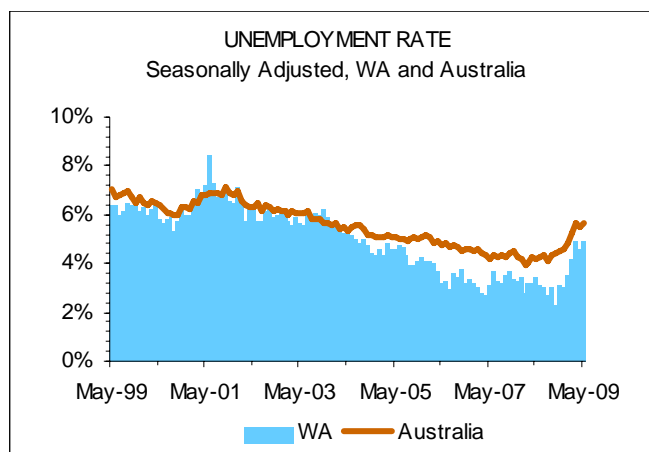
	Seasonally Adjusted				Trend			
	000s	% Change Over:			000s	% Change Over:		
		1 Year	3 Months	1 Month		1 Year	3 Months	1 Month
New South Wales	3,394	-0.6%	0.0%	0.0%	3,390	-1.0%	-0.1%	0.0%
Victoria	2,653	-0.6%	0.0%	0.4%	2,647	-0.6%	-0.3%	-0.1%
Queensland	2,228	1.1%	-0.6%	-0.2%	2,233	1.5%	0.0%	0.0%
South Australia	798	1.7%	0.8%	0.1%	796	0.9%	0.6%	0.2%
Western Australia	1,173	3.0%	0.6%	0.6%	1,167	1.9%	-0.1%	0.1%
Tasmania	234	-1.6%	-4.0%	0.3%	235	-0.4%	-1.2%	-0.4%
Northern Territory	n/a	n/a	n/a	n/a	121	6.7%	2.8%	0.9%
Australian Capital Territory	n/a	n/a	n/a	n/a	194	-1.0%	-0.9%	-0.3%
Australia	10,793	0.3%	-0.1%	0.0%	10,788	0.1%	-0.1%	0.0%

Over the year to May, the largest increase in employment by State was 3.0%, in Western Australia. The largest decrease was 1.6%, in Tasmania. The Australian Bureau of Statistics does not publish seasonally adjusted estimates for the two Territories.

Trend

Trend employment in Western Australia increased by 0.1% between April and May. Employment rose by 1.9% over the year and dropped by 0.1% over the three months to May 2009. Australia's trend employment was unchanged between April and May. Employment grew by 0.1% over the 12 months and decreased by 0.1% in the three months ending in May.

Over the year to May, the largest increase in trend employment by State was 1.9%, in the Northern Territory. The largest decrease was 1.0%, in NSW.



**UNEMPLOYMENT AND PARTICIPATION RATES
May 2009**

Unemployment Rates

Seasonally Adjusted

The seasonally adjusted unemployment rate in Western Australia increased by 0.3 percentage points to 4.9% between April and May. The unemployment rate rose by 1.5 percentage points over the year and grew by 0.7 percentage points over the three months to May 2009.

Australia's seasonally adjusted unemployment rate rose by 0.2 percentage points to 5.7% between April and May. The unemployment rate grew by 1.5 percentage points over the 12 months and grew by 0.4 percentage points in the three months ending in May. The highest seasonally adjusted unemployment rate by State was 6.4%, in NSW. The lowest was 4.9%, in Western Australia.

Trend

The trend unemployment rate in Western Australia increased by 0.2 percentage points to 5.0% between April and May. The unemployment rate rose by 1.8 percentage points over the year and grew by 0.9 percentage points over the three months to May 2009. Australia's trend unemployment rate rose by 0.1 percentage points to 5.7% between April and May. The unemployment rate grew by 1.6 percentage points over the 12 months and increased by 0.5 percentage points in the three months ending in May. In May, the highest trend unemployment rate by State was 6.5%, in New South Wales. The lowest rate was 3.3%, in the Australian Capital Territory.

	Unemployment Rate		Participation Rate	
	Seas. Adj.	Trend	Seas. Adj.	Trend
NSW	6.4%	6.5%	63.7%	63.7%
Vic	5.9%	5.9%	64.6%	64.5%
Qld	5.3%	5.2%	67.7%	67.8%
SA	5.4%	5.6%	63.7%	63.7%
WA	4.9%	5.0%	69.5%	69.2%
Tas	5.7%	5.5%	61.2%	61.5%
NT	n/a	3.9%	n/a	75.8%
ACT	n/a	3.3%	n/a	72.1%
Aus	5.7%	5.7%	65.5%	65.5%

Participation Rates

Seasonally Adjusted

The seasonally adjusted participation rate in Western Australia increased by 0.5 percentage points to 69.5% between April and May. The participation rate rose by 1.2 percentage points over the year and grew by 0.5 percentage points over the three months to May 2009. Australia's seasonally adjusted participation rate rose by 0.1 percentage points to 65.5% between April and May. The participation rate grew by 0.1 percentage points over the 12 months and decreased by 0.1 percentage points in the three months ending in May.

The highest seasonally adjusted participation rate by State was 69.5%, in Western Australia. The lowest was 61.2%, in Tasmania.

Trend

The trend participation rate in Western Australia increased by 0.1 percentage points to 69.2% between April and May. The participation rate rose by 0.8 percentage points over the year and grew by 0.2 percentage points over the three months to May 2009. Australia's trend participation rate was unchanged at 65.5% between April and May. The participation rate was unchanged over the 12 months and increased by 0.1 percentage points in the three months ending in May. In May, the highest trend participation rate by State was 75.8%, in the Northern Territory. The lowest rate was 61.5%, in Tasmania.