Overview of the
Darwin Labour Market

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The Darwin Statistical Division (SD) comprises of three Local Government Areas:
• Darwin LGA
• Palmerston LGA
• Litchfield LGA

Darwin SD fits wholly within the Northern Territory Labour Force Region.
This table provides information about population and employment for Darwin and the NT.

- Over the last 5 years, population growth in Darwin (13%) has been well above the national average (8%). Although growth in the NT (11%) was not as high as Darwin, it is still higher than Australia’s growth rate of 8%.

- Across Australia life expectancy for Aboriginal and Torres Strait Islander children (born in 2005-2007) was 67.2 for boys and 72.9 years for girls. In other words, the life expectancy of Indigenous men is 11.5 years lower than for non-Indigenous men, and the life expectancy of Indigenous women is 9.7 year lower than for non-Indigenous women.

- The life expectancy of Indigenous people born in the NT is even lower still (61.5 for men and 69.2 for women).

- The unemployment rates for Darwin and the NT are well below the national average.

- A lower proportion of the working age population in Darwin and the NT receives Centrelink benefits compared with the national average.

- The Indigenous population constitutes a much greater proportion of the working age population in the NT (24%) compared to Australia (2%) and even Darwin (8%).

### Darwin Profile

<table>
<thead>
<tr>
<th></th>
<th>Darwin</th>
<th>NT</th>
<th>Australia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population aged 15–64 years (2011)</td>
<td>86,666</td>
<td>150,705</td>
<td>14,351,452</td>
</tr>
<tr>
<td>Median age (2011)</td>
<td>32</td>
<td>31</td>
<td>37</td>
</tr>
<tr>
<td>Life expectancy at birth, 2005–2007 Indigenous (male / female)</td>
<td>n.a.</td>
<td>61.5 yrs / 69.2 yrs</td>
<td>67.2 yrs / 72.9 yrs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>75.7 yrs / 81.2 yrs</td>
<td>78.7 yrs / 82.6 yrs</td>
</tr>
<tr>
<td>Total population growth 2006–2011</td>
<td>13%</td>
<td>11%</td>
<td>8%</td>
</tr>
<tr>
<td>Working age participation rate (Census 2006)</td>
<td>81.4%</td>
<td>74.5%</td>
<td>75.0%</td>
</tr>
<tr>
<td>Unemployment rate (SALM, June 2012)</td>
<td>2.2%</td>
<td>4.3%</td>
<td>5.3%</td>
</tr>
<tr>
<td>% WAP on Centrelink Benefits (Jun 2012)</td>
<td>14%</td>
<td>24%</td>
<td>18%</td>
</tr>
<tr>
<td>% WAP that is Indigenous (Census 2011)</td>
<td>8%</td>
<td>24%</td>
<td>2%</td>
</tr>
</tbody>
</table>

Strong Jobs Growth in NT
Indexed employment growth

Source: ABS Labour Force data, August 2012, trend data

This graph shows the change in employment over the past nine years for the Northern Territory and Australia.

Australia’s employment growth over the last nine years has been relatively consistent, apart from the flatness that coincided with the GFC.

Northern Territory has experienced strong growth since 2006.
This graph shows recruitment activity for NT and Australia.

The fall in recruitment activity (as measured by the Internet Vacancy Index) was less severe in the Northern Territory compared with Australia. While fluctuating below pre-2008 levels, the number of vacancies in the Northern Territory has remained relatively stable for the last three years.

<table>
<thead>
<tr>
<th>Total vacancies</th>
<th>July 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northern Territory</td>
<td>3159</td>
</tr>
<tr>
<td>Australia</td>
<td>195544</td>
</tr>
</tbody>
</table>

Source: DEEWR, Vacancy Report, July 2012
Consistently low unemployment in Darwin

Source: DEEWR Small Area Labour Market data, June 2012

This graph shows DEEWR small Area labour markets by Darwin, NT and Australia over time.

Prior to the Global Financial Crisis, the unemployment rate for NT was similar to that for Australia, although in recent years, it has dropped to below Australia’s.

The unemployment rate for Darwin has been consistently lower than that for NT and Australia, and has not been impacted by the Global Financial Crisis to the same extent as with Australia.
### Unemployment Rate

<table>
<thead>
<tr>
<th>Region</th>
<th>June 2011</th>
<th>June 2012</th>
<th>Annual Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Darwin LGA</td>
<td>1.4%</td>
<td>1.9%</td>
<td>0.5%pts</td>
</tr>
<tr>
<td>Litchfield LGA</td>
<td>2.3%</td>
<td>1.2%</td>
<td>0.9%pts</td>
</tr>
<tr>
<td>Palmerston LGA</td>
<td>1.7%</td>
<td>2.3%</td>
<td>0.6%pts</td>
</tr>
<tr>
<td>Darwin</td>
<td>1.6%</td>
<td>2.2%</td>
<td>0.6%pts</td>
</tr>
<tr>
<td>Tiwi Islands CGC</td>
<td>10.0%</td>
<td>15.5%</td>
<td>5.5%pts</td>
</tr>
<tr>
<td>East Arnhem LGA</td>
<td>6.4%</td>
<td>9.9%</td>
<td>3.5%pts</td>
</tr>
<tr>
<td>Northern Territory</td>
<td>2.9%</td>
<td>4.2%</td>
<td>1.3%pts</td>
</tr>
<tr>
<td>Australia</td>
<td>5.2%</td>
<td>5.3%</td>
<td>0.1%pts</td>
</tr>
</tbody>
</table>

Source: DEEWR, Small Area Labour Markets, June 2012

This table shows the Small Area Labour Market unemployment rates June 2012 and June 2011. This slide gives an indication of unemployment disparity across the region.

Despite the Darwin region historically recording lower unemployment compared to Australia, there are still pockets of disadvantage in other areas of NT.
### Indigenous Population Aged 15-64

<table>
<thead>
<tr>
<th>Civilian population aged 15 to 64 years</th>
<th>Unemployment rate</th>
<th>Participation rate</th>
<th>Employment to population ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>'000</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td><strong>NORTHERN TERRITORY (2011)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indigenous</td>
<td>113.9</td>
<td>2.3</td>
<td>85.4</td>
</tr>
<tr>
<td>Non-Indigenous</td>
<td>36.2</td>
<td>13.7</td>
<td>45.6</td>
</tr>
<tr>
<td>Total</td>
<td>150.1</td>
<td>4.3</td>
<td>74.3</td>
</tr>
<tr>
<td><strong>AUSTRALIA (2011)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indigenous</td>
<td>356.9</td>
<td>16.4</td>
<td>57.7</td>
</tr>
<tr>
<td>Non-Indigenous</td>
<td>15,962.7</td>
<td>5.0</td>
<td>77.3</td>
</tr>
<tr>
<td>Total</td>
<td>15,319.7</td>
<td>5.2</td>
<td>76.8</td>
</tr>
</tbody>
</table>

Source: Labour Force Characteristics of Aboriginal and Torres Strait Islander Australians (ABS cat no. 6287.0), Estimates from the Labour Force Survey, 2011

This table shows the labour force status of the Indigenous and Non-Indigenous working age populations for Northern Territory and Australia.

The unemployment rate is substantially higher for Indigenous persons compared with non-Indigenous persons in both NT and Australia.

Furthermore, the participation rate for Indigenous persons is much lower compared with those who are non-Indigenous in both NT and Australia.
### Income Support Payments

**Working age population**

<table>
<thead>
<tr>
<th>Region</th>
<th>Proportion on a Centrelink Benefit (June 2012)</th>
<th>Proportion on an Unemployment Benefit (Newstart Allowance or Youth Allowance)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Indigenous</td>
<td>Non-Indigenous</td>
</tr>
<tr>
<td>Darwin LGA</td>
<td>57%</td>
<td>10%</td>
</tr>
<tr>
<td>Palmerston LGA</td>
<td>59%</td>
<td>10%</td>
</tr>
<tr>
<td>Darwin</td>
<td>66%</td>
<td>9%</td>
</tr>
<tr>
<td>Northern Territory</td>
<td>65%</td>
<td>9%</td>
</tr>
<tr>
<td>Australia</td>
<td>54%</td>
<td>17%</td>
</tr>
</tbody>
</table>


This table shows the proportion of the working age population in receipt of a Centrelink or unemployment benefit by local government area and by whether they are Indigenous or Non-Indigenous.

Overall in the Darwin region, there was a lower proportion of the working age population in receipt of a Centrelink Benefit (14%) compared with Australia (18%).

However, there was a significantly higher proportion of the Indigenous working age population in Darwin in receipt of Centrelink benefit compared with the Non-indigenous population (66% compared with 9%).

Additionally, there are a significantly higher proportion of the Indigenous working age population in receipt of an unemployment benefit compared with the Non-Indigenous population (22% compared with 3%)
This chart shows the duration of registration for all people on the Newstart benefit registered with Job Services Australia in Darwin.

In Darwin, for non-Indigenous people on a Newstart Allowance, 62% were registered for less than one year, while 24% were registered for longer than two years (considered very long term).

By comparison, Indigenous people on a Newstart Allowance were more likely to be very long term registered than Non-Indigenous people (47% compared with 24%).
Disengaged Youth
20-24 year olds neither working nor studying

Source: ABS 2006 Census of Population and Housing.

This Chart shows Indigenous and Non-indigenous persons aged 20-24 years, who are not working or studying by gender and region.

Despite the strong labour market conditions in Darwin, there are still barriers to employment for Indigenous persons aged 20-24 years compared with non-indigenous persons.

At the time of the 2006 Census, the proportion of Indigenous females aged 20-24 years not working nor studying, was significantly higher compared with Non-indigenous females in the Darwin region (45% compared with 12%).

Similarly, the proportion of Indigenous males aged 20-24 years not working or studying was also significantly higher compared with Non-Indigenous males (34% compared with 7%)
Jobless Families
With children aged under 15 years

<table>
<thead>
<tr>
<th>Region</th>
<th>Number of jobless families</th>
<th>Proportion of all who are jobless</th>
<th>Proportion of couple families who are jobless</th>
<th>Proportion of lone parent families who are jobless</th>
</tr>
</thead>
<tbody>
<tr>
<td>Darwin LGA</td>
<td>860</td>
<td>13%</td>
<td>4%</td>
<td>37%</td>
</tr>
<tr>
<td>Litchfield LGA</td>
<td>150</td>
<td>9%</td>
<td>3%</td>
<td>32%</td>
</tr>
<tr>
<td>Palmerston LGA</td>
<td>410</td>
<td>13%</td>
<td>3%</td>
<td>40%</td>
</tr>
<tr>
<td>Darwin</td>
<td>1430</td>
<td>12%</td>
<td>4%</td>
<td>37%</td>
</tr>
<tr>
<td>Australia</td>
<td>300-600</td>
<td>15%</td>
<td>6%</td>
<td>47%</td>
</tr>
</tbody>
</table>

Source: ABS 2006 Census of Population and Housing

Jobless families are families with children under 15 years of age where no parent is employed (ABS 2006 Census of Population and Housing).

This table shows the proportion of Jobless families with children under 15 years by LGA compared with Australia.

The Darwin region has a lower proportion of families who are jobless compared with Australia.
### School results in Reading and Numeracy, 2011

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Darwin *</th>
<th>Northern Territory</th>
<th>Australia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reading</td>
<td>15%</td>
<td>29%</td>
<td>6%</td>
</tr>
<tr>
<td>Numeracy</td>
<td>10%</td>
<td>25%</td>
<td>6%</td>
</tr>
</tbody>
</table>

* - Average of six government schools in Darwin

**Source: Myschool website, 2011**

This table shows the proportion of year 9 students who did not meet the minimum standards for reading and writing. Darwin government schools had a higher proportion of students who did not meet the minimum standard compared with all schools in Australia, although lower than the proportion for NT.
Labour Market Outcomes by Educational Attainment
Indigenous 25-34 years old, Australia

Source: ABS, 2006 Census of Population and Housing

This chart shows that those people with higher educational attainment have generally better labour market outcomes.

Source: ABS, 2006 Census of Population and Housing
### Educational Attainment

**Persons aged 25-34 years**

<table>
<thead>
<tr>
<th>Region</th>
<th>Population</th>
<th>Completed Year 12 or equivalent</th>
<th>Advanced Diploma/Diploma/Certificate Level</th>
<th>Attained Bachelor degree or higher</th>
</tr>
</thead>
<tbody>
<tr>
<td>Darwin</td>
<td>Total</td>
<td>63%</td>
<td>36%</td>
<td>23%</td>
</tr>
<tr>
<td></td>
<td>Indigenous</td>
<td>33%</td>
<td>31%</td>
<td>5%</td>
</tr>
<tr>
<td></td>
<td>Non-Indigenous</td>
<td>65%</td>
<td>36%</td>
<td>25%</td>
</tr>
<tr>
<td>Northern Territory</td>
<td>Total</td>
<td>51%</td>
<td>31%</td>
<td>19%</td>
</tr>
<tr>
<td></td>
<td>Indigenous</td>
<td>13%</td>
<td>14%</td>
<td>2%</td>
</tr>
<tr>
<td></td>
<td>Non-Indigenous</td>
<td>65%</td>
<td>37%</td>
<td>25%</td>
</tr>
<tr>
<td>Australia</td>
<td>Total</td>
<td>69%</td>
<td>32%</td>
<td>30%</td>
</tr>
</tbody>
</table>

Source: ABS, 2006 Census of Population and Housing

This table shows educational attainment for 25-34 year old, for Indigenous and Non-indigenous persons.

Darwin had a high proportion (63%) of people aged 25-34 years who had completed their Year 12 or equivalent compared with the Northern Territory (51%), although lower than for Australia (69%).

The Indigenous population in both Darwin and the Northern Territory had substantially lower levels of educational attainment compared with the Non-Indigenous population. However, levels of educational attainment for the indigenous population in Darwin were noticeably higher in Darwin compared with the remainder of the NT.
This chart breaks down migrant arrivals over the last 5 years into the various migration streams (Family, Humanitarian and Skilled). The largest proportion of migrants arrived as part of the Skilled migration stream, although a significant proportion of migrants arrived via the Family stream.

Total migration is 9 per cent of the working age population in Darwin compared with 8 per cent for Australia.
Migrant Underutilisation
For persons with Bachelor Degree or higher

• 24% of OTMESC have a bachelor degree or higher
• 18% of Non-OTMESC have a bachelor degree or higher

Source: ABS 2006 Census of Population and Housing

This Chart shows Migrant underutilisation for person with a bachelor degree by persons born in Other than main English speaking countries.

OTMESC: defined as persons who are born in an other than main English speaking country
Non-OTMESC: defined as persons who are born in a main English speaking country, including Australia.

Overall, 24 per cent of the working age population in Darwin born in an OTMESC have obtained a Bachelor Degree or higher qualification. This compares with 18 per cent for the Non-OTMESC population.

• There was a lower level of labour market participation for highly qualified OTMESC persons compared with the Non-OTMESC population
• For both males and females, a higher proportion of the OTMESC population with a Bachelor Degree or higher were either not in the labour force, unemployed or employed in a low skilled occupation.
**Source: ABS 2006 Census of Population and Housing**

This Chart shows Employment by industry at the time of the 2006 Census for Darwin.

At the time of the Census, Public Administration and Safety was the largest employing industry in Darwin (21.9 per cent) compared with Australia (6.9 per cent). Retail (10.0 per cent), Health Care and Social Assistance (8.9 per cent), Education and Training (8.8 per cent) are also major employers in the Darwin ESA.

Manufacturing accounts for a considerably smaller share of employment in Darwin (4.7 per cent) compared with Australia (10.7 per cent).
Strong recruitment activity and widespread recruitment difficulties

• Strong recruitment activity in 2012, although less than in 2011
  o One in five jobs vacant in the six months
  o Much higher than other capital cities
• Very high recruitment difficulty
  o Highest difficulty of all capital cities
  o 83 per cent of recruiting employers had difficulty recruiting
  o 13.5 per cent of vacancies remained unfilled
• Employers reducing output or business growth due to recruitment or retention difficulty


Survey of Employers in Darwin, March 2012.
– 200 responses
– Was also surveyed in March 2011

Results for Darwin show some significant differences with the average for all capital cities, suggesting comparative tightness in the Darwin labour market.

The recruitment rate (the proportion of jobs that became vacant over the six months prior to the survey) indicates that just under one in five positions (19.1 per cent) became vacant during the six months to March 2012, compared with 11.4 per cent for all cities.

The proportion of vacancies remaining unfilled (13.5 per cent) was much higher compared with all capital cities (9.0 per cent). The proportion of employers who experienced difficulty recruiting for vacancies or retaining staff (83 per cent) was also greater compared with all capital cities (62 per cent).

Almost half of employer reported that recruitment or retention difficulties resulted in them not keeping up with market demand, investing in projects or growing the business (47 per cent), higher than all capital cities (37 per cent).
Recruitment difficulty was most frequently reported in the Professionals, Technicians and Trades Workers and Community and Personal Service Workers occupation groups.

For all occupation groups, employers in Darwin more commonly reported recruiting difficulty compared with all cities. This was particularly prevalent for Professionals, Community and Personal Service Workers, Sales Workers and Labourers occupation groups.
Unfilled and unsatisfactorily filled vacancies by major occupation category, most recent recruitment round


This chart shows, in reference to employer’s most recent recruitment round, the proportion of vacancies that remained unfilled and the proportion of vacancies that were filled with workers who did not have the skills or capabilities desired by the employer.

Many employers had difficulty recruiting staff across all occupation groups.
• Overall, 32 per cent of vacancies either remained unfilled (14 per cent) or were filled with a worker who did not have the skills or capabilities that the employer was looking for (18 per cent).
• Unfilled vacancies were most commonly reported in the Managers, Professionals and Machinery Operators and Drivers occupation groups.
• Almost two in five vacancies for Sales Workers were filled with workers who lacked the desired skills or capabilities.
Fewer applicants per vacancy
by occupation group


Employers recruiting for Clerical and Administrative Workers had the highest average number applicants per vacancy (14.2 applicants per vacancy) while Technicians and Trades Workers had the lowest at an average of 3.5 applicants per vacancy.

Clerical and Administrative Workers had the highest average number of suitable applicants per vacancy (4.5 suitable applicants per vacancy) while employers recruiting for Machinery Operators and Drivers had little choice of suitable applicants (average of 1.1 suitable applicants per vacancy).

Competition for vacancies in Darwin has increased significantly over the twelve months to March 2012 to an average of 6.1 applicants per vacancy (2.1 considered as suitable), compared with 3.8 applicants per vacancy with 1.2 suitable applicants per vacancy. Despite the increase over time, the proportions are still lower when compared with all capital cities (10.7 applicants per vacancy, 2.8 considered suitable).
Importance of Employability Skills

22% of employers filled vacancies with staff who lacked skills and capabilities to do the job

21% of employers hired staff without desired technical skills:
• 18% Experience
• 6% Technical/working skills
• 4% Qualifications/licensing/registration requirements

Very few employers willing to hire staff lacking in employability skills (4%):
• 2% Motivation
• 1% Organisation
• No employer hired staff lacking in teamwork or communication skills


22% of employers filled vacancies with staff who lacked skills and capabilities to do the job

21% of employers hired staff lacking job specific skills:
• 18% Experience
• 6% Technical/working skills
• 4% Qualifications/licensing/registration requirements

Very few employers willing to hire staff lacking in employability skills (4%):
• 2% Motivation
• 1% Organisation
• No employer hired staff lacking in teamwork or communication skills
This table shows high skilled occupations by level of difficulty in all capital cities March 2012.

- **Red** = the majority of employers recruiting for that occupation reported it being difficult to recruit for or a relatively high number of vacancies remained unfilled or both. However, other indicators, such as the suitability of staff hired, the number of applicants and whether the employer extended the recruitment process, were also used when categorising each occupation.

- **Yellow** = employers recruiting for that occupation often reported it being difficult to recruit for or employers often recruited a worker who did not have the skills or capabilities that he/she was seeking or both. However, other indicators, such as the number of vacancies that remained unfilled, the number of applicants and whether the employer extended the recruitment process, were also used when categorising each occupation.

- **Green** = few or no indicators of difficulty recruiting for the occupation.

*Source: DEEWR, Survey of Employers’ Recruitment Experiences in Capital Cities, March 2012*
This table shows lower skilled occupations by level of difficulty in all capital cities March 2012.

**Red** = the majority of employers recruiting for that occupation reported it being difficult to recruit for or a relatively high number of vacancies remained unfilled or both. However, other indicators, such as the suitability of staff hired, the number of applicants and whether the employer extended the recruitment process, were also used when categorising each occupation.

**Yellow** = employers recruiting for that occupation often reported it being difficult to recruit for or employers often recruited a worker who did not have the skills or capabilities that he/she was seeking or both. However, other indicators, such as the number of vacancies that remained unfilled, the number of applicants and whether the employer extended the recruitment process, were also used when categorising each occupation.

**Green** = few or no indicators of difficulty recruiting for the occupation.

Employers in Darwin anticipate stronger future employment growth and recruitment difficulty compared with other capital cities. A much higher proportion of employers in Darwin anticipated increasing staff in the six months following the survey (45 per cent, compared with 28 per cent for all capital cities). The greatest future concern for the majority of employers in Darwin was recruitment or retention difficulty (59 per cent). By comparison, the most common concern reported by employers in all capital cities was for demand for products/services or the economy as a whole (38 per cent).
Labour market conditions are very strong

- Low unemployment
- Future recruitment expectations
- Opportunities for job seekers across all skill levels

Associated Challenges

- General shortage of labour
- High recruitment difficulty and high unfill rate
- Impact on business outputs and growth

Still disadvantaged groups:
- Indigenous, lower educated, disengaged youth, long-term unemployed
- Significant underutilisation of migrants

Job seekers need to be job ready

- Training / apprenticeships
- Opportunities for work experience
- Literacy and numeracy
- Employability skills

Collaboration required amongst all stakeholders
If you have any questions about the presentation please contact the Regional and Industry Employer Surveys Section on 1800 059 439 or email recruitmentsurveys@deewr.gov.au

Australian Government Department of Education, Employment and Workplace Relations