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Australian Government
Department of Education, Employment and Workplace Relations

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.

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

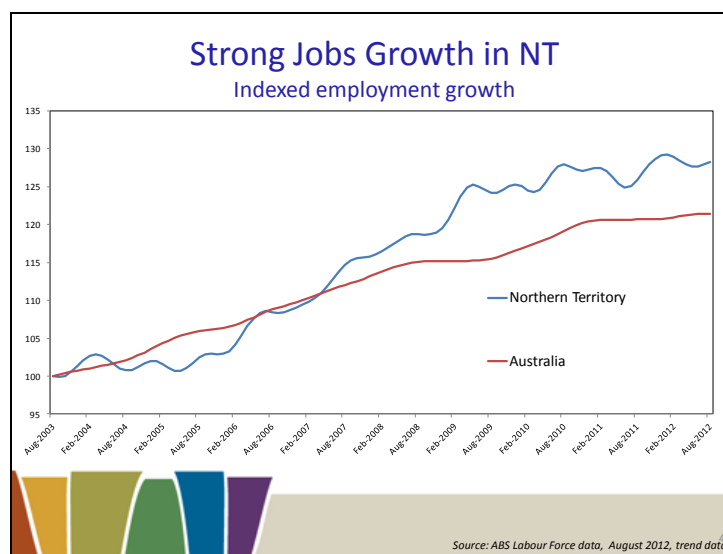
Source: ABS, Experimental life tables for Aboriginal and Torres Strait Island Australians, 2005–2007 (cat. no. 3302.00.55.003, DEEWR Administrative Data, June 2012; DEEWR Small Area Labour Markets, June 2012; ABS 2006 and 2011 Census of Population and Housing.

Source: ABS, *Experimental life tables for Aboriginal and Torres Strait Island Australians, 2005–2007* (cat. no. 3302.00.55.003, DEEWR Administrative Data, June 2012; DEEWR Small Area Labour Markets, June 2011; ABS 2006 and 2011 Census of Population and Housing.

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%).

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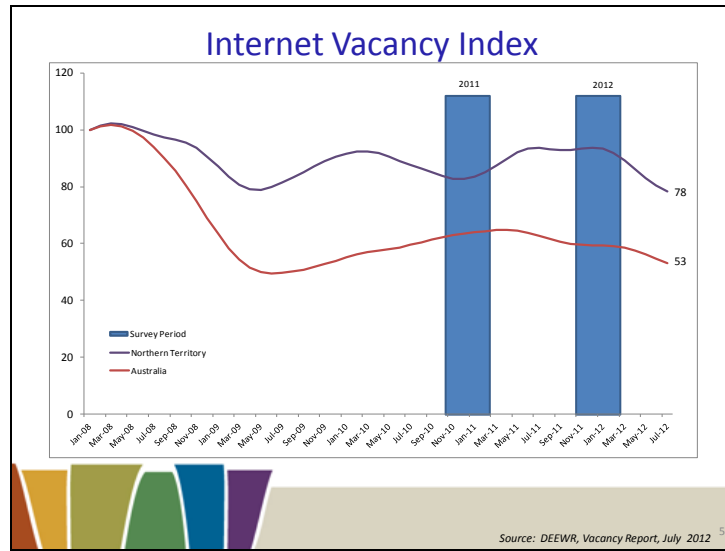
Source: ABS Labour Force data, August 2012, trend data

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.

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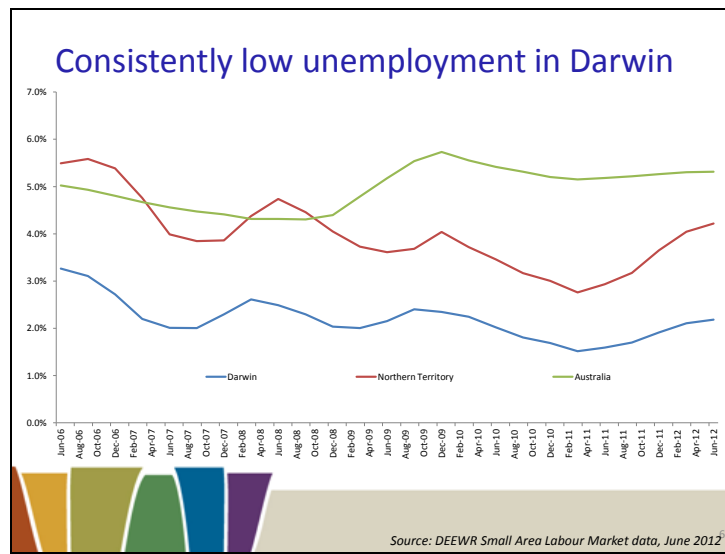
Source: DEEWR, Vacancy Report, July 2012

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.

Total vacancies	July 2012
Northern Territory	3159
Australia	195544

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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.

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Unemployment Rate

Region	June 2011	June 2012	Annual Change
Darwin LGA	1.4%	1.9%	0.5%pts
Litchfield LGA	2.3%	3.2%	0.9%pts
Palmerston LGA	1.7%	2.3%	0.6%pts
Darwin	1.6%	2.2%	0.6%pts
Tiwi Islands CGC	10.0%	15.5%	5.5%pts
East Arnhem LGA	6.4%	9.9%	3.5%pts
Northern Territory	2.9%	4.2%	1.3%pts
Australia	5.2%	5.3%	0.1%pts

Source: DEEWR, Small Area Labour Markets, June 2012, smoothed series

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.

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Indigenous Population Aged 15-64

	Civilian population aged 15 to 64 years	Unemployment rate	Participation rate	Employment to population ratio
	'000	%	%	%
NORTHERN TERRITORY (2011)				
Indigenous	44.2	13.7	45.6	39.4
Non-Indigenous	113.9	2.3	85.4	83.4
Total	158.1	4.3	74.3	71.1
AUSTRALIA (2011)				
Indigenous	356.9	16.4	57.7	48.3
Non-Indigenous	14,962.7	5.0	77.3	73.4
Total	15,319.7	5.2	76.8	72.8

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

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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						
Region	Proportion on a Centrelink Benefit (June 2012)			Proportion on an Unemployment Benefit (Newstart Allowance or Youth Allowance)		
	Indigenous	Non-Indigenous	Total	Indigenous	Non-Indigenous	Total
Darwin LGA	57%	10%	14%	17%	3%	4%
Palmerston LGA	59%	10%	16%	17%	2%	4%
Darwin	66%	9%	14%	22%	3%	4%
Northern Territory	65%	9%	24%	29%	2%	9%
Australia	54%	17%	18%	20%	4%	5%

Source: DEEWR Administrative Data, June 2012, ABS 2011 Census of Population and Housing

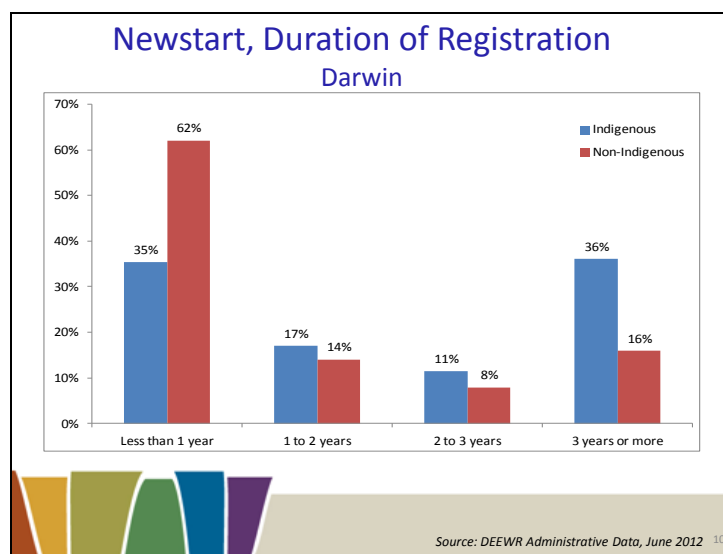
Source: DEEWR administrative data 2012 June ABS 2011 Census of Population and Housing.

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%)

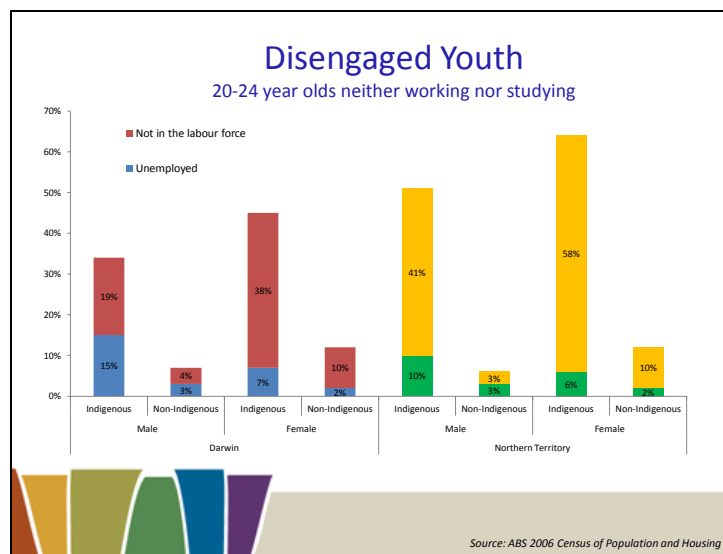


Source: DEEWR Administrative Data, June 2012

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%).



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				
Region	Number of jobless families	Proportion of all who are jobless	Proportion of couple families who are jobless	Proportion of lone parent families who are jobless
Darwin LGA	860	13%	4%	37%
Litchfield LGA	150	9%	3%	32%
Palmerston LGA	410	13%	3%	40%
Darwin	1430	12%	4%	37%
Australia	300 600	15%	6%	47%

Source: ABS 2006 Census of Population and Housing

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 un 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

<i>Indicator</i>	Darwin *	Northern Territory	Australia
Proportion of Year 9 government school students who did not meet the minimum standards in:			
Reading	15%	29%	6%
Numeracy	10%	25%	6%

* - Average of six government schools in Darwin

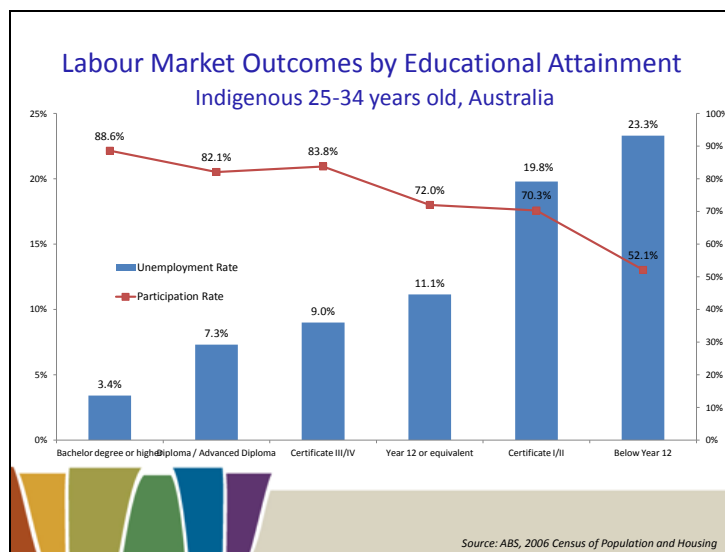


Source: Myschool website, 2011 13

Source: Myschool website

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.



Source: ABS, 2006 Census of Population and Housing

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

Educational Attainment

Persons aged 25-34 years

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

Source: ABS, 2006 Census of Population and Housing

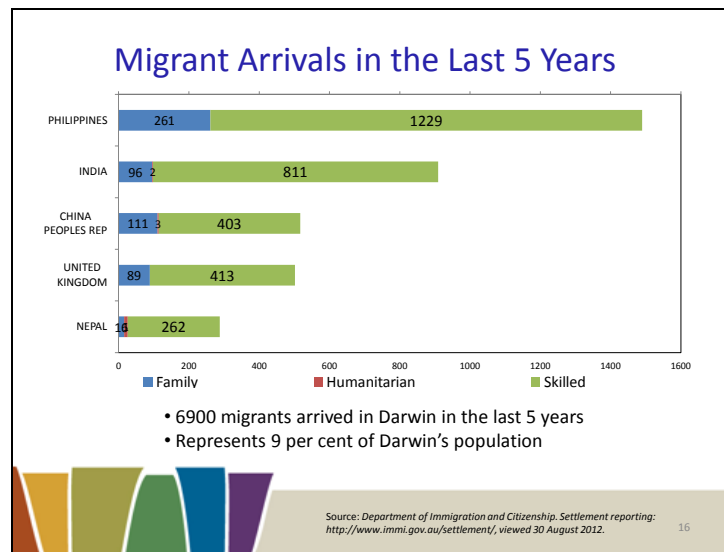
Source: ABS, 2006 Census of Population and Housing

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.

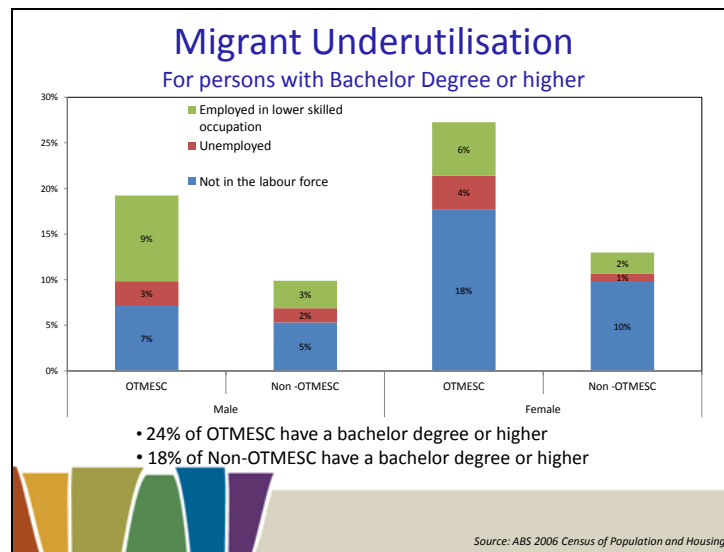
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Source: Department of Immigration and Citizenship. Settlement reporting: <http://www.immi.gov.au/settlement/>, viewed 30 August 2012

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



Source: ABS 2006 Census of Population and Housing

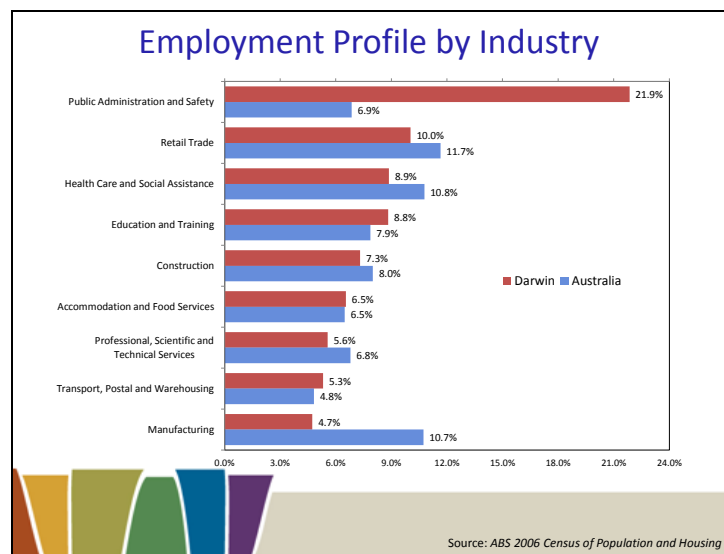
This Chart shows Migrant underutilisation for person with a bachelor degree by persons born in Other than main English speaking countries.

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

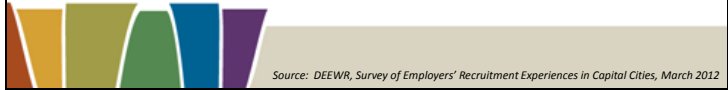
This Chart shows Employment by industry at the time of the 2006 Census for Darwin.

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



Source: DEEWR, Survey of Employers' Recruitment Experiences in Capital Cities, March 2012

Source: DEEWR, Survey of Employers' Recruitment Experiences – Darwin 2012

Survey of Employers in Darwin, March 2012.

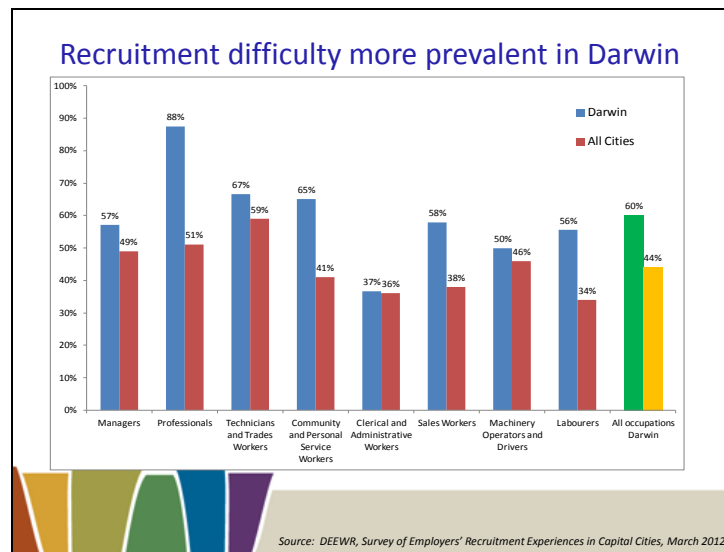
- 200 responses
- Was also surveyed in March 2011

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).

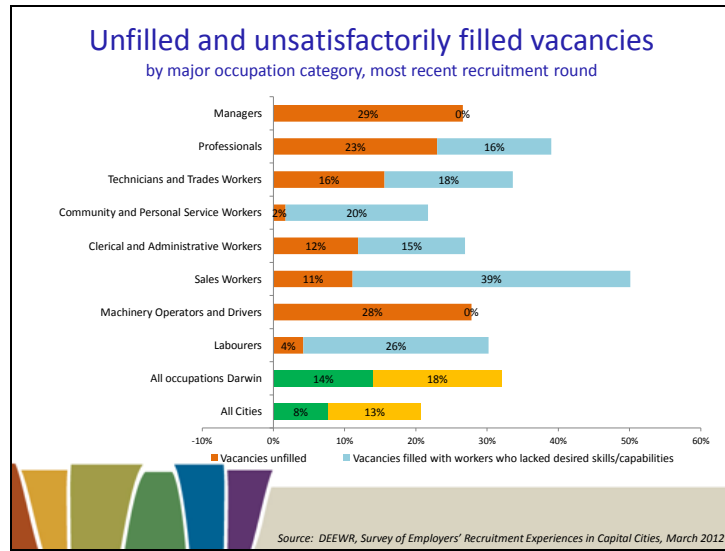
Almost half of employer reported that recruitment or retention difficulties resulted in them not keeping up with market demand, investing in projects or growing the business (47 per cent), higher than all capital cities (37 per cent).



Source: DEEWR, Survey of Employers' Recruitment Experiences – Darwin 2012

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.

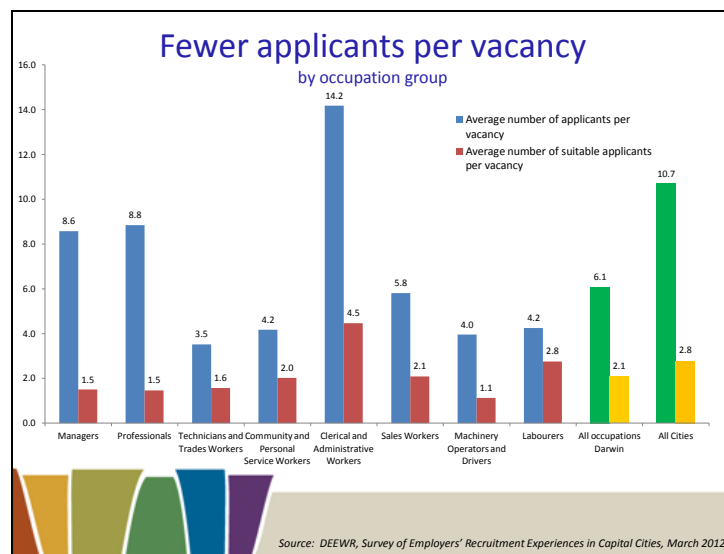


Source: DEEWR, Survey of Employers' Recruitment Experiences – Darwin 2012

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.

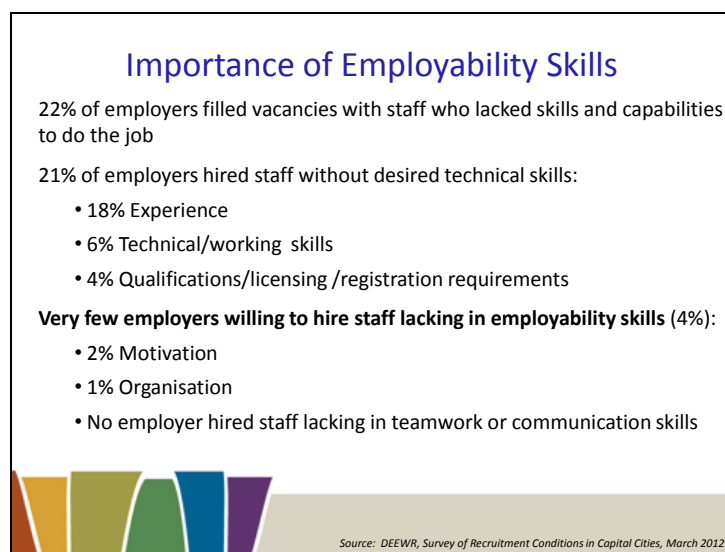


Source: DEEWR, Survey of Employers' Recruitment Experiences – Darwin 2012

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).



Source: DEEWR, Survey of Employers' Recruitment Experiences – Darwin 2012

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

Occupation Based Classifications

High Skilled Occupation Categories

Professionals and Managers	
Hospitality, Retail and Service Managers	
Business, Human Resource and Marketing Professionals	
Teachers	
Design and Engineering Professionals	
Technicians and Trades Workers	
Automotive Electricians and Mechanics	
Food Trades Workers	
Engineering Trades Workers	

Source: DEEWR, Survey of Employers' Recruitment Experiences in Capital Cities, March 2012

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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.

Occupation Based Classifications	
Lower Skilled Occupation Categories	
Community and Personal Services Workers	
Waiters	Yellow
Bar Attendants and Baristas	Yellow
Clerical and Administrative Workers	
Receptionists	Red
General Clerks	Green
Sales Workers	
Sales Representatives	Red
Sales Assistants and Checkout Operators	Yellow
Machinery Operators and Drivers	
Plant and Machine Operators	Yellow
Drivers	Red

Source: DEEWR, Survey of Employers' Recruitment Experiences in Capital Cities, March 2012

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This table shows lower skilled occupations by level of difficulty in all capital cities March 2012

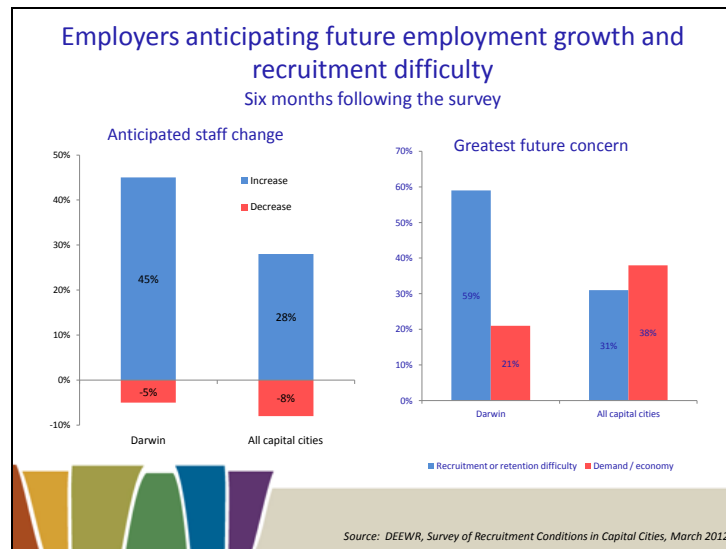
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Green = few or no indicators of difficulty recruiting for the occupation.



Source: DEEWR, Survey of Employers' Recruitment Experiences – Darwin 2012

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).

Conclusion

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

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Australian Government
Department of Education, Employment and Workplace Relations

If you have any questions about the presentation please
contact the Regional and Industry Employer Surveys
Section on [1800 059 439](tel:1800059439) or email
recruitmentsurveys@deewr.gov.au



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