

## Latest employment trends across Australian industries, May Quarter 2009

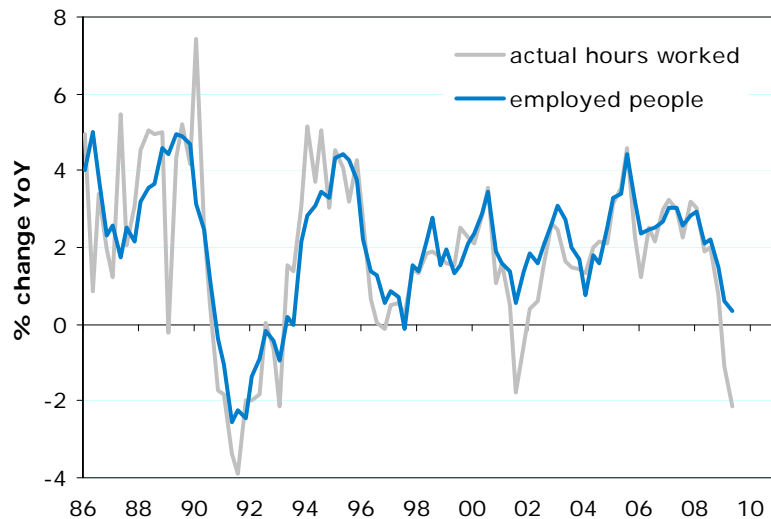
19 June 2009

### Key points

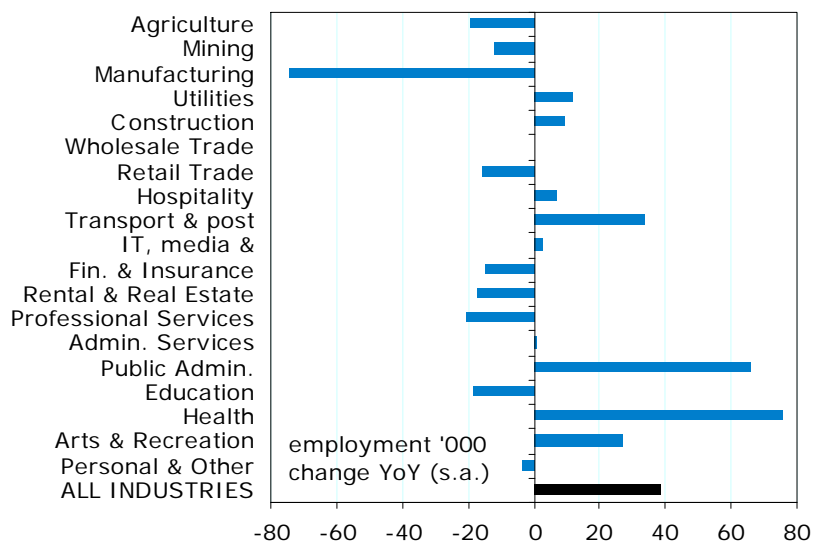
**Australian employers have, in aggregate, reduced working hours rather than shed people in H1 2009.** Unlike most other developed countries, Australian employment is still growing, albeit at a decelerating rate (0.6% in Feb and 0.3% in May, YoY). We are, however, working less. Our aggregate actual work hours fell 1.1% in Feb and 2.1% in May (YoY). As a result, average actual hours worked per employee dropped to 33.7 in May, the lowest level since the current data series commenced in 1984.

**Employment fell in 9 of our 19 major industry groups** in the year to May, (11 of the 19 industries in QoQ terms), including in 2 of our largest employers, retail and manufacturing. Large service industries also shed labour (YoY) including finance and insurance, real estate, professional services and education. The small but high-earning mining sector also cut jobs. Jobs growth remains strong in health and government services.

Growth in employment and actual hours worked, to May 2009



Growth in total employment by industry, May Qtr 2009



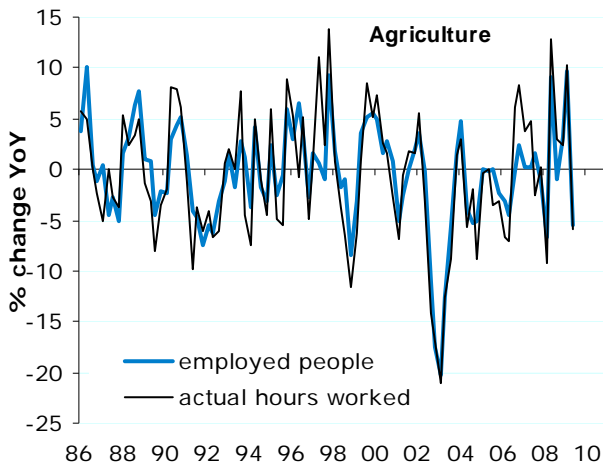
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### Our Vision:

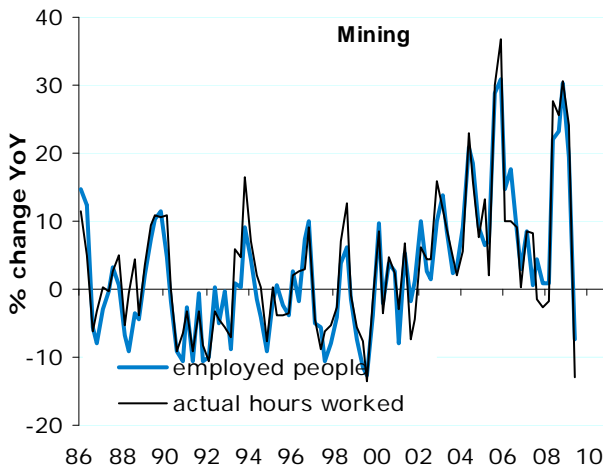
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## Current employment by industry, May Qtr 2009



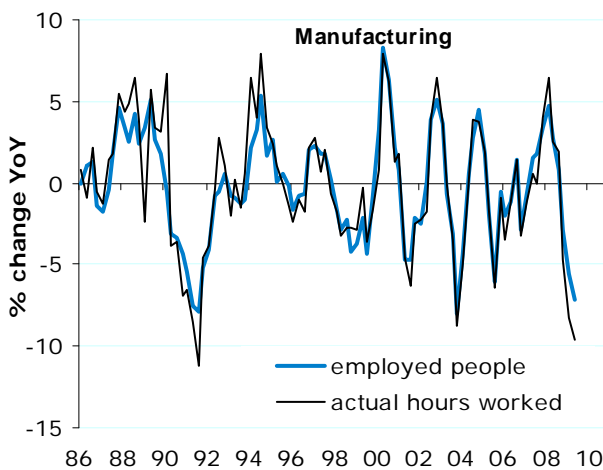
Employment and actual hours both fell in **agriculture**, but average work hours per person increased.

Agriculture	May Qtr 2009
Total employment ('000 people)	355.9
Industry ranking (by employment size)	13 of 19
% of employees full-time (35hrs+ p.w.)	72.9
Average weekly work hours per person	43.6
Employment growth, QoQ	-0.9
Employment growth, YoY	-5.5
Actual hours worked growth, QoQ	4.8
Actual hours worked growth, YoY	-5.9
Average weekly fulltime ordinary earnings (AWOTE, March 2009)	na



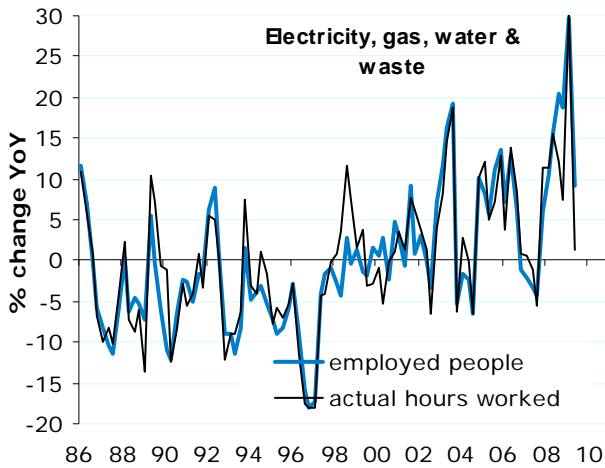
**Mining** employment, actual hours and average work hours per person all fell in May, after very strong growth through 2008. Mining employment fell YoY for the first time since Aug 2001. Mining is a very small employer (1.4% of all jobs) but it has the highest average wages.

Mining	May Qtr 2009
Total employment ('000 people)	152.3
Industry ranking (by employment size)	18 of 19
% of employees full-time (35hrs+ p.w.)	96.8
Average weekly work hours per person	43.9
Employment growth, QoQ	-7.8
Employment growth, YoY	-7.4
Actual hours worked growth, QoQ	-8.8
Actual hours worked growth, YoY	-12.9
Average weekly fulltime ordinary earnings (AWOTE, March 2009)	\$2,005.40



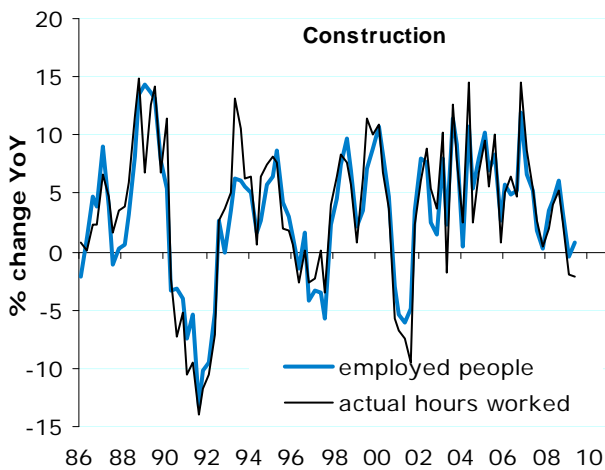
**Manufacturing** employment in collapsed in terms of people, actual hours and average work hours in May, falling for the 3<sup>rd</sup> consecutive quarter. Despite ongoing shrinkage, manufacturing is still our 3<sup>rd</sup> largest employer.

Manufacturing	May Qtr 2009
Total employment ('000 people)	993.5
Industry ranking (by employment size)	3 of 19
% of employees full-time (35hrs+ p.w.)	85.6
Average weekly work hours per person	36.9
Employment growth, QoQ	-2.1
Employment growth, YoY	-7.2
Actual hours worked growth, QoQ	-3.8
Actual hours worked growth, YoY	-9.6
Average weekly fulltime ordinary earnings (AWOTE, March 2009)	\$1,097.80



Employment and actual work hours in **utilities** are still growing in annual terms but they fell sharply QoQ in May. Average work hours fell to 36.1 from 38.9 a year ago.

Electricity, gas, water and waste	May Qtr 2009
Total employment ('000 people)	132.3
Industry ranking (by employment size)	19 of 19
% of employees full-time (35hrs+ p.w.)	90.5
Average weekly work hours per person	36.1
Employment growth, QoQ	-10.9
Employment growth, YoY	9.1
Actual hours worked growth, QoQ	-14.2
Actual hours worked growth, YoY	1.4
Average weekly fulltime ordinary earnings (AWOTE, March 2009)	\$1,405.50



**Construction** is our 4<sup>th</sup> largest employer. Employment kept growing very weakly (YoY and QoQ) but actual work hours are down. Average hours are stable.

Construction	May Qtr 2009
Total employment ('000 people)	990.6
Industry ranking (by employment size)	4 of 19
% of employees full-time (35hrs+ p.w.)	85.5
Average weekly work hours per person	37.8
Employment growth, QoQ	1.0
Employment growth, YoY	0.9
Actual hours worked growth, QoQ	-0.4
Actual hours worked growth, YoY	-2.1
Average weekly fulltime ordinary earnings (AWOTE, March 2009)	\$1,203.20



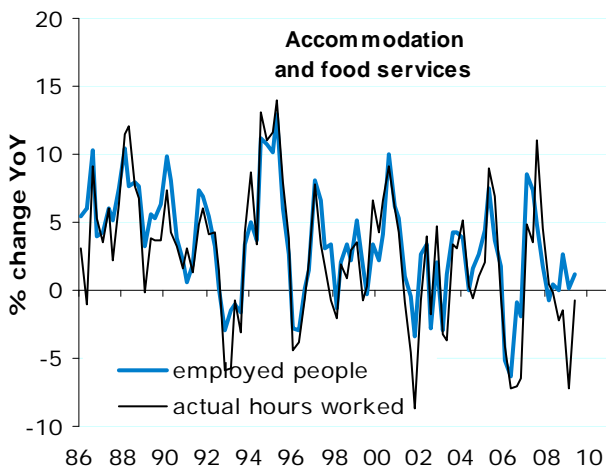
**Wholesale trade** employment held steady (just) but actual hours and average hours fell.

Wholesale trade	May Qtr 2009
Total employment ('000 people)	399.2
Industry ranking (by employment size)	11 of 19
% of employees full-time (35hrs+ p.w.)	82.1
Average weekly work hours per person	37.0
Employment growth, QoQ	1.2
Employment growth, YoY	0.2
Actual hours worked growth, QoQ	-0.6
Actual hours worked growth, YoY	-2.8
Average weekly fulltime ordinary earnings (AWOTE, March 2009)	\$1,119.20



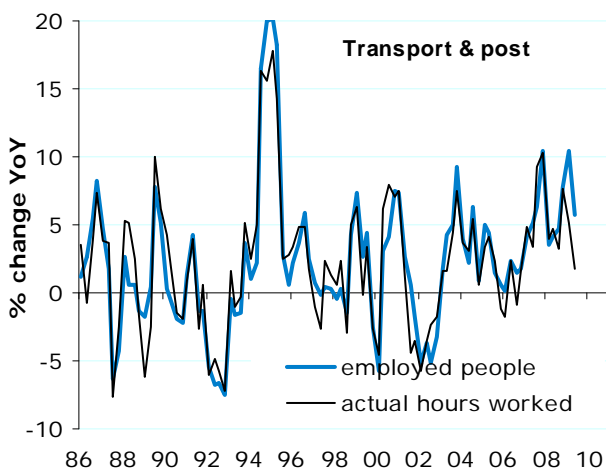
**Retail trade** is our single largest employer, but nearly half its jobs are part-time. Retailers cut both employees and actual hours in May, the fourth consecutive quarter of cuts (YoY). Average hours were stable.

Retail trade	May Qtr 2009
Total employment ('000 people)	1,211.3
Industry ranking (by employment size)	1 of 19
% of employees full-time (35hrs+ p.w.)	51.2
Average weekly work hours per person	29.2
Employment growth, QoQ	-0.1
Employment growth, YoY	-1.4
Actual hours worked growth, QoQ	-0.3
Actual hours worked growth, YoY	-3.2
Average weekly fulltime ordinary earnings (AWOTE, March 2009)	\$883.30



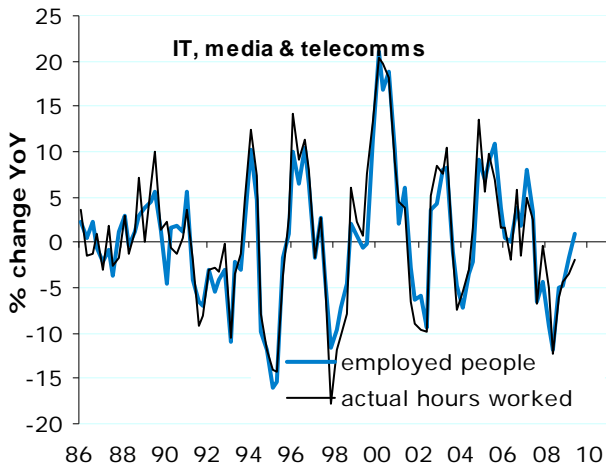
**Hospitality** has the highest proportion of part-time jobs, the lowest average hours and the lowest average pay. It shed hours but not employees in May, after cutting jobs in the previous 2 quarters (Nov '08 and Feb '09).

Accommodation and food services	May Qtr 2009
Total employment ('000 people)	717.4
Industry ranking (by employment size)	7 of 19
% of employees full-time (35hrs+ p.w.)	43.7
Average weekly work hours per person	27.7
Employment growth, QoQ	1.7
Employment growth, YoY	1.2
Actual hours worked growth, QoQ	3.9
Actual hours worked growth, YoY	-0.7
Average weekly fulltime ordinary earnings (AWOTE, March 2009)	\$858.50



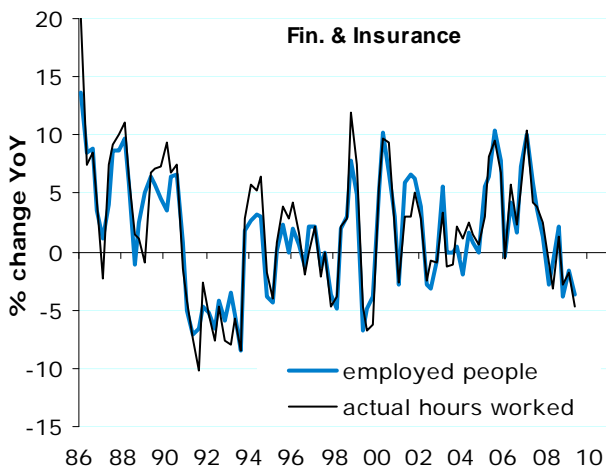
**Transport** is still expanding with new jobs and work hours, but growth appears to be decelerating. Average work hours are stable.

Transport, postal and warehousing	May Qtr 2009
Total employment ('000 people)	599.2
Industry ranking (by employment size)	9 of 19
% of employees full-time (35hrs+ p.w.)	78.6
Average weekly work hours per person	36.6
Employment growth, QoQ	0.8
Employment growth, YoY	5.7
Actual hours worked growth, QoQ	1.5
Actual hours worked growth, YoY	1.8
Average weekly fulltime ordinary earnings (AWOTE, March 2009)	\$1,118.40



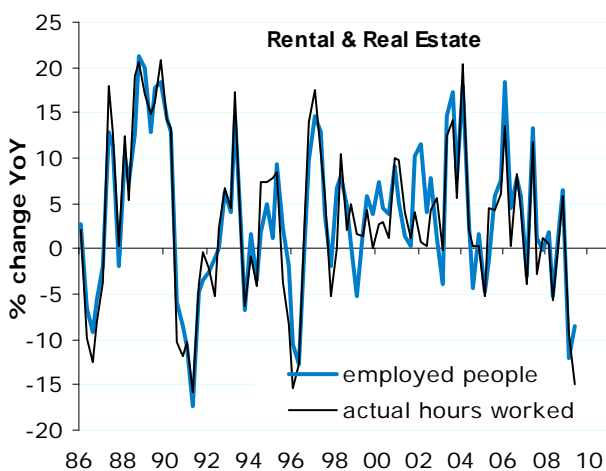
**IT and media** increased employment in May for the first time since May 2007 (YoY), but actual hours worked continued to fall. Average work hours were also down.

Information, media and telecomms	May Qtr 2009
Total employment ('000 people)	221.4
Industry ranking (by employment size)	15 of 19
% of employees full-time (35hrs+ p.w.)	79.9
Average weekly work hours per person	34.8
Employment growth, QoQ	-1.4
Employment growth, YoY	1.0
Actual hours worked growth, QoQ	-3.5
Actual hours worked growth, YoY	-1.9
Average weekly fulltime ordinary earnings (AWOTE, March 2009)	\$1,226.70



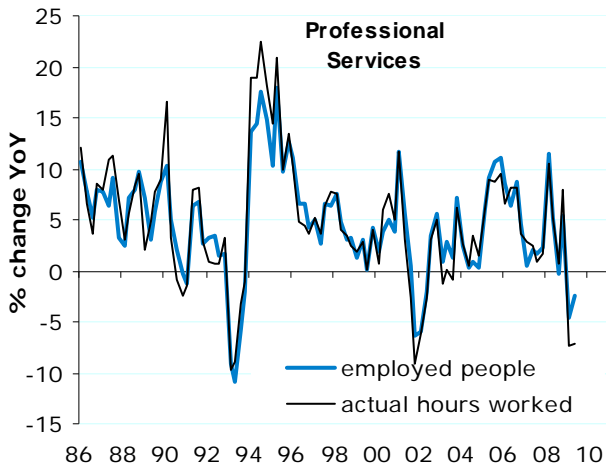
**Finance and insurance** employment and actual hours continued to decline in May, for a 3<sup>rd</sup> consecutive quarter. Jobs and hours have now fallen in 5 of the last 6 quarters (YoY) after reaching an all-time peak of 410,000 people in August 2008. Average hours are also down.

Financial and insurance services	May Qtr 2009
Total employment ('000 people)	389.9
Industry ranking (by employment size)	12 of 19
% of employees full-time (35hrs+ p.w.)	82.8
Average weekly work hours per person	35.2
Employment growth, QoQ	-0.6
Employment growth, YoY	-3.7
Actual hours worked growth, QoQ	-6.2
Actual hours worked growth, YoY	-4.8
Average weekly fulltime ordinary earnings (AWOTE, March 2009)	\$1,431.00



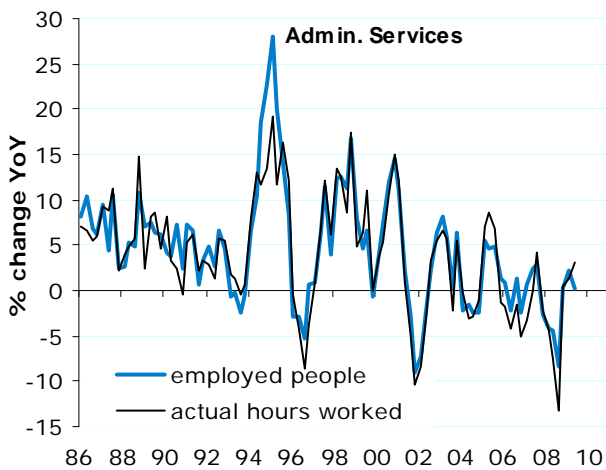
**Rental, hiring and real estate** jobs recovered slightly in May, but remained well down from a year ago. Actual hours and average hours worked kept falling. This industry is a very small employer (1.7% of all jobs).

Rental, hiring and real estate	May Qtr 2009
Total employment ('000 people)	181.8
Industry ranking (by employment size)	17 of 19
% of employees full-time (35hrs+ p.w.)	72.2
Average weekly work hours per person	33.7
Employment growth, QoQ	3.2
Employment growth, YoY	-8.6
Actual hours worked growth, QoQ	-5.1
Actual hours worked growth, YoY	-14.9
Average weekly fulltime ordinary earnings (AWOTE, March 2009 for property serv.)	\$1,305.80



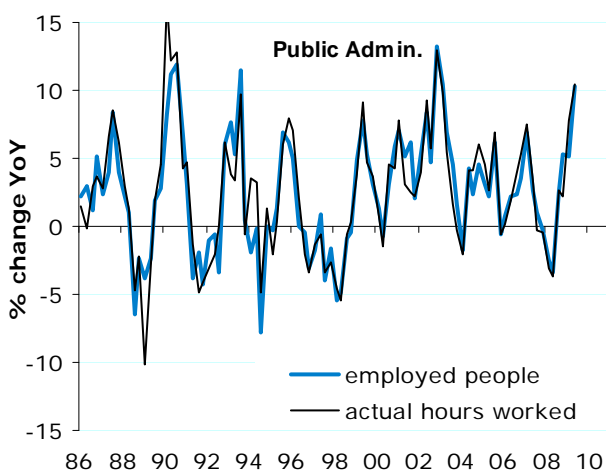
**Professional services** jobs, actual hours worked and average hours per person all fell for a second quarter in May (YoY and QoQ), with the largest falls since 2002.

Professional, scientific and technical	May Qtr 2009
Total employment ('000 people)	762.4
Industry ranking (by employment size)	6 of 19
% of employees full-time (35hrs+ p.w.)	75.7
Average weekly work hours per person	35.6
Employment growth, QoQ	-0.6
Employment growth, YoY	-2.4
Actual hours worked growth, QoQ	-3.0
Actual hours worked growth, YoY	-7.2
Average weekly fulltime ordinary earnings (AWOTE, March 2009 for business serv.)	\$1,305.80



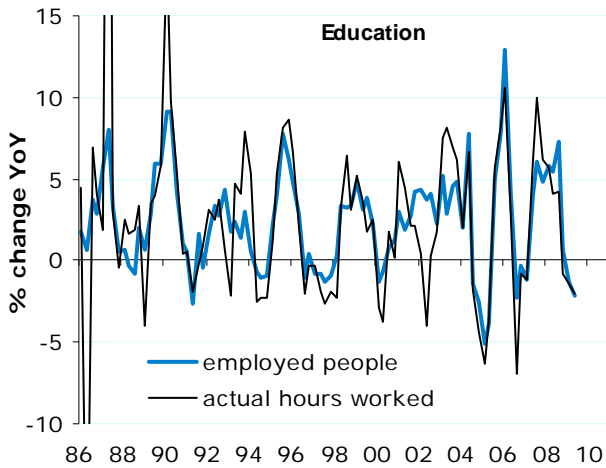
**Administrative and support services** jobs and actual hours worked fell in May (QoQ) but remained higher than a year earlier. Average weekly work hours were stable.

Administrative and support services	May Qtr 2009
Total employment ('000 people)	340.4
Industry ranking (by employment size)	14 of 19
% of employees full-time (35hrs+ p.w.)	60.7
Average weekly work hours per person	30.6
Employment growth, QoQ	-4.3
Employment growth, YoY	0.3
Actual hours worked growth, QoQ	-4.3
Actual hours worked growth, YoY	3.1
Average weekly fulltime ordinary earnings (AWOTE, March 2009 for business serv.)	\$1,305.80



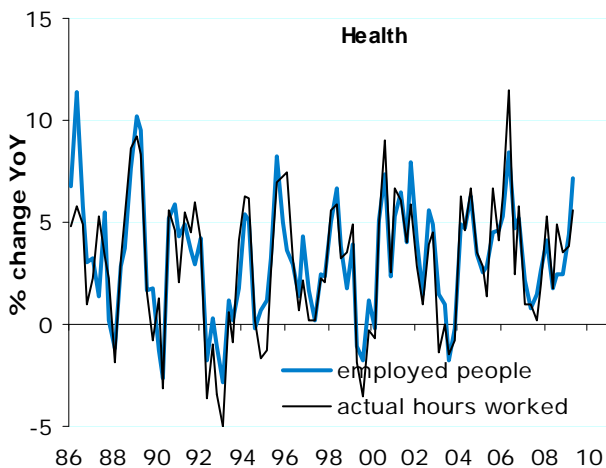
**Public administration** employment had its strongest quarter of growth since May 2006 (QoQ) or Feb 2003 (YoY) in May 2009. Actual hours worked grew at similar rates and average weekly hours declined to 34.2, from their recent peak in Feb 2009 (35.5).

Public administration and safety	May Qtr 2009
Total employment ('000 people)	693.1
Industry ranking (by employment size)	8 of 19
% of employees full-time (35hrs+ p.w.)	84.7
Average weekly work hours per person	34.2
Employment growth, QoQ	4.2
Employment growth, YoY	10.4
Actual hours worked growth, QoQ	0.2
Actual hours worked growth, YoY	10.5
Average weekly fulltime ordinary earnings (AWOTE, March 2009)	\$1,240.30



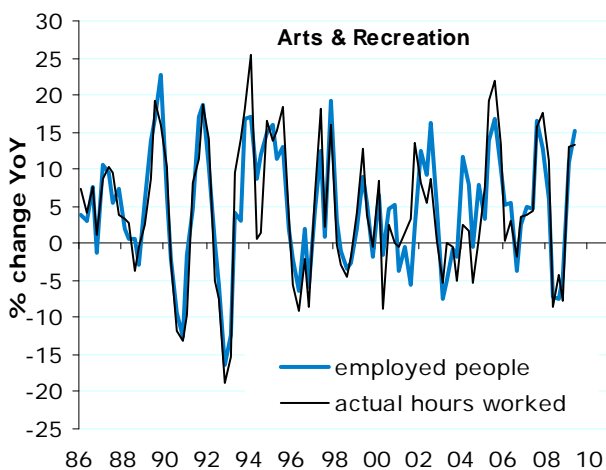
**Education** jobs were stable in QoQ terms, but remained down from a year ago, following a large quarterly fall in Nov 2008 (-3.7%). Actual hours worked have followed the same path with average work hours declining slightly.

Education and training	May Qtr 2009
Total employment ('000 people)	796.8
Industry ranking (by employment size)	5 of 19
% of employees full-time (35hrs+ p.w.)	63.3
Average weekly work hours per person	32.2
Employment growth, QoQ	0.6
Employment growth, YoY	-2.1
Actual hours worked growth, QoQ	3.2
Actual hours worked growth, YoY	-2.0
Average weekly fulltime ordinary earnings (AWOTE, March 2009)	\$1,258.40



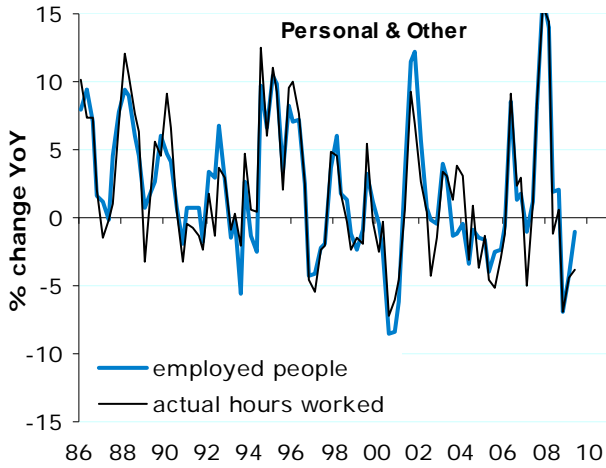
**Health** is Australia's 2<sup>nd</sup> largest employing industry. It continued to grow through May 2009 (it has not had a negative quarter of jobs growth, YoY, since 2003). Jobs and actual hours growth accelerated in May (YoY), but average weekly hours fell to their lowest since 2004.

Health care and social assistance	May Qtr 2009
Total employment ('000 people)	1,174.6
Industry ranking (by employment size)	2 of 19
% of employees full-time (35hrs+ p.w.)	58.3
Average weekly work hours per person	29.6
Employment growth, QoQ	1.7
Employment growth, YoY	7.1
Actual hours worked growth, QoQ	0.6
Actual hours worked growth, YoY	5.6
Average weekly fulltime ordinary earnings (AWOTE, March 2009)	\$1,116.40



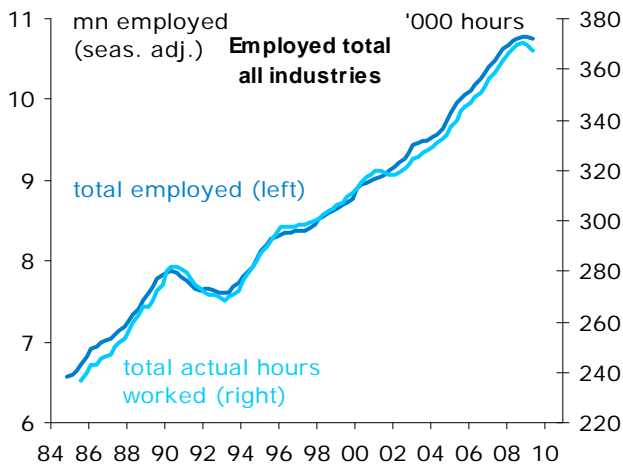
**Arts and recreation services** is a very small employer (1.9% of jobs). Jobs and actual work hours are relatively volatile. Both fell in May 2009 but remained significantly higher than a year earlier. Average work hours fell back.

Arts and recreation services	May Qtr 2009
Total employment ('000 people)	207.9
Industry ranking (by employment size)	16 of 19
% of employees full-time (35hrs+ p.w.)	57.6
Average weekly work hours per person	28.6
Employment growth, QoQ	-2.3
Employment growth, YoY	15.1
Actual hours worked growth, QoQ	-11.0
Actual hours worked growth, YoY	13.2
Average weekly fulltime ordinary earnings (AWOTE, March 2009)	\$1,212.50



**Personal and other services** jobs and actual work hours fell for a 3<sup>rd</sup> consecutive quarter in May (YoY), although the rate of decline was weaker. Average weekly work hours also declined.

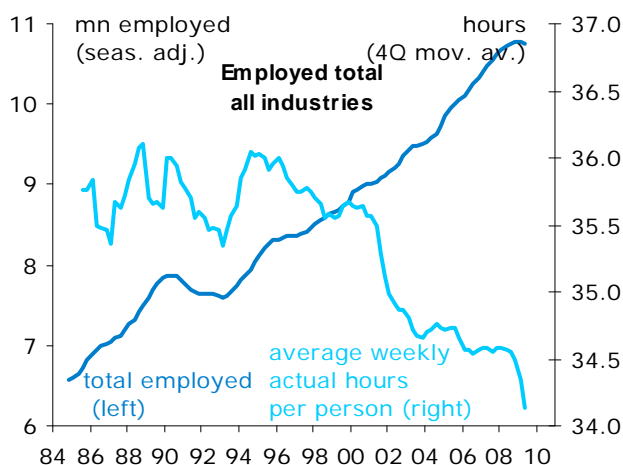
Personal and other services	May Qtr 2009
Total employment ('000 people)	443.3
Industry ranking (by employment size)	10 of 19
% of employees full-time (35hrs+ p.w.)	70.3
Average weekly work hours per person	33.5
Employment growth, QoQ	-1.3
Employment growth, YoY	-1.0
Actual hours worked growth, QoQ	-5.6
Actual hours worked growth, YoY	-3.9
Average weekly fulltime ordinary earnings (AWOTE, March 2009)	\$1,162.60



Employment across **all industries in aggregate** showed no growth in May 2009, YoY and QoQ. Actual hours worked however, fell in both QoQ and YoY terms. Total seasonally adjusted employment last fell QoQ in Aug 2004 and May 2003, but it has not fallen YoY since 1993.

Total actual hours worked has now fallen for a 2<sup>nd</sup> consecutive quarter (YoY), for the first time since 2001. May 2009 showed the biggest fall (YoY) in total actual hours worked since Feb 1993.

Average weekly actual hours worked (average for all employees in all industries) also fell in May, to 33.7. This is its lowest level since the current series began in 1984.



All industries	May Qtr 2009
Total employment ('000 people)	10,763.4
Industry ranking (by employment size)	-
% of employees full-time (35hrs+ p.w.)	70.4
Average weekly work hours per person	33.7
Employment growth, QoQ	0.0
Employment growth, YoY	0.3
Actual hours worked growth, QoQ	-1.3
Actual hours worked growth, YoY	-2.1
Average weekly fulltime ordinary earnings (AWOTE, March 2009)	\$1,183.40

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