



Note: In this release of *Labour Force Statistics*, the ABS introduced an improved 'composite estimation' method and conducted an annual review of seasonality, which resulted in a revision of historical data. As a consequence, employment growth in Queensland in 2005-06 is around 0.6 percentage point higher than the old estimate and the unemployment rate is around 0.2 percentage point lower but the labour participation rate is unaffected.

Summary (TREND)

Employment:	Queensland, ↑	3,800 jobs (0.2%)
	Australia, ↑	17,400 jobs (0.2%)
Unemployment Rate:	Queensland, ↓	3.5%
	Australia, ↓	4.3%
Labour Force:	Queensland, ↑	1,000 persons (0.0%)
	Australia, ↑	11,800 persons (0.1%)

- Nationally, seasonally adjusted employment increased by 39,400 jobs in May 2007, well above the market expectation of a 10,000 job rise. The \$A surged almost 0.5%, to US84.65c and 10-year Treasury Bond yields rose to 6.14% following the release.

Analysis

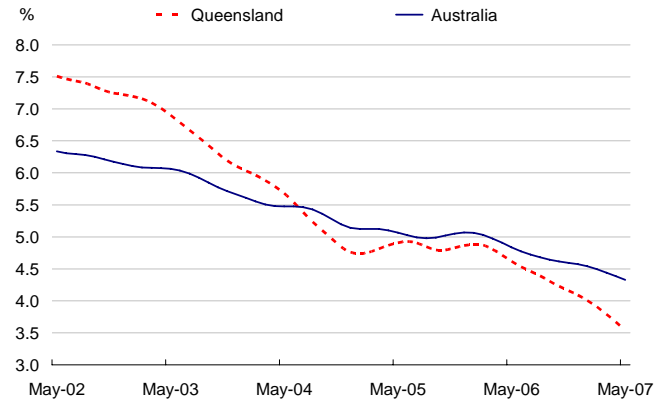
- Queensland's trend unemployment rate fell to a new low of 3.5% in May 2007, the lowest on record since the inception of the monthly labour force series in February 1978. The May unemployment rate represents a decline of 0.2 percentage point from 3.7% in April 2007, and remains well below the rate of 4.6% recorded a year ago. Remarkably, the State's low unemployment rate has been achieved while the trend labour force participation rate remained at an historic high of 67.4% in May.
- Nationally, the trend unemployment rate fell by 0.1 percentage point, to 4.3% in May 2007. While this also represents a national 29-year low in the history of the monthly labour force series, Queensland's unemployment rate has been below the rate recorded in Australia for almost three years (see Chart 1).
- After recording strong monthly employment growth of 0.5% in the last half of 2006, trend jobs growth in Queensland eased to 0.2% in May 2007. Nonetheless, jobs growth in Queensland grew at a rate similar to that nationally in May and follows what has been a period of sustained stronger jobs growth in Queensland relative to nationally (see Chart 2).
- Trend jobs growth in Queensland continued to be driven by full-time employment. In May 2007, trend full-time employment increased by 6,400 jobs, while trend part-time jobs fell 2,600 jobs. Over the year, total employment rose by 104,300 persons, comprised of 100,700 full-time and 3,600 part-time jobs and accounting for 37.0% of all jobs created nationally.

- Looking ahead, indicators of activity in the labour-intensive retail and construction sectors remain supportive of further jobs growth in Queensland. Trend nominal retail trade rose 0.9% in April, to see annual growth strengthen to 7.7% over the year. Similarly, building approvals in Queensland remain robust, with dwelling approvals up 1.4% in April, to be 13.0% higher over the year.

Table 1
Labour Force, May 2007

Monthly Data	Monthly Change (number)		% change on a month ago		% change on a year ago	
	QLD	Aust	QLD	Aust	QLD	Aust
Trend						
Employment	3,800	17,400	0.2	0.2	5.1	2.8
Full-time	6,400	21,600	0.4	0.3	6.9	3.5
Part-time	-2,600	-4,200	-0.5	-0.1	0.6	1.0
Labour Force	1,000	11,800	0.0	0.1	4.0	2.2
Seas. Adjusted						
Employment	-100	39,400	0.0	0.4	5.0	3.1
Full-time	3,100	66,800	0.2	0.9	6.7	3.9
Part-time	-3,200	-27,400	-0.6	-0.9	0.6	1.0
Labour Force	200	27,500	0.0	0.3	3.6	2.5
Unemploy. Rate						
Trend	3.5	4.3	3.7	4.4	4.6	4.8
Seas. Adjusted	3.4	4.2	3.4	4.4	4.8	4.8
Participation Rate						
Trend	67.4	64.9	67.4	64.9	66.4	64.6
Seas. Adjusted	67.1	65.0	67.3	64.9	66.4	64.5

Chart 1
Unemployment Rate, Trend



Note: Charts for May may not be consistent with Table 1 due to rounding.

Chart 2
Monthly Employment Growth, Trend

