Trend employment in Queensland rose 1,800 persons (0.1%) in August 2011, to be 21,300 persons (0.9%) higher over the year. August was the fifth straight month in which trend employment rose.

Driven by a rise in the trend labour force participation rate, labour force growth outpaced jobs growth in August 2011. As a result, Queensland’s unemployment rate increased 0.2 percentage point (with the July 2011 also revised upwards by 0.2 percentage point) to 5.8%, the highest unemployment rate since December 2009.

The sa participation rate rose 0.6 percentage point to 67.7% over the past two months. With sa labour force growth greatly outpacing employment growth, which has been relatively weak, the sa unemployment rate has increased 0.9 percentage point, to 6.2%, over this period. These sa movements have flowed through to the trend series, causing the trend unemployment rate to rise 0.3 percentage point since June 2011.

National trend employment rose 300 persons (0.0%) in August 2011, while the trend national unemployment rate remained at an upwardly revised 5.1%.

National sa employment fell 9,700 persons in August, a notably weaker result than market expectations of a 11,000 person increase. The sa unemployment rate has been relatively weak, the sa unemployment rate has increased 0.9 percentage point, to 6.2%, over this period. These sa movements have flowed through to the trend series, causing the trend unemployment rate to rise 0.3 percentage point since June 2011.

While labour demand related to the resources sector is expected to remain strong, some softness in the retail and dwelling sectors will weigh on employment growth in the near-term.