Trend employment in Queensland rose 1,100 persons (0.0%) in December 2011, to be 16,400 persons (0.7%) higher over the year. Trend employment growth has generally been weak over 2011.

With a slight decline in the trend labour force, Queensland’s trend unemployment rate remained at 5.6% in December 2011.

Seasonally adjusted (sa) employment fell 3,300 persons in December 2011. The sa labour force fell 11,000 persons, as the sa participation rate fell 0.4 percentage point to 57.0%. With the labour force falling more than employment, the sa unemployment rate fell 0.3 percentage point to 5.4%.

National trend employment fell 2,200 persons (0.0%) in December, with the unemployment rate flat at 5.3%.

National sa employment fell 29,300 persons in December, significantly weaker than market expectations of a 10,000 person increase. However, with a similar fall in the sa labour force, the sa unemployment rate was unchanged at 5.2%, compared with expectations of being unchanged at 5.3%.

Analysis

Events in Europe and continued financial market turmoil have translated into weakened business confidence, seeing employers delay hiring intentions. Further, subdued activity in the labour intensive construction and retail sectors in particular suggests that overall employment growth is likely to remain subdued in the short-term.