

REGIONAL UNEMPLOYMENT AT 12 YEAR HIGH AS JOB DEMAND SHIFTS TO CITIES

The unemployment rate in regional Australia now sits at 7.34 per centⁱ, in non-seasonally adjusted terms, up from 6.67 per cent in March 2013, and is now at a level not seen since March 2003 (See graph over).

After a period where economic conditions favoured strong regional employment, regional Australia is now confronted by strong demand in services and residential construction, which does not play to its traditional strengths.

The statistics highlight the need for regional economies, which are home to 32 per cent of Australians, to find a strategy for the new economic environment. If this is not addressed, unemployment in regional Australia could reasonably be expected to rise further.

“The much-discussed opportunities for agriculture and tourism in Asia are still on the table for many regions, but this potential hasn’t yet been converted into jobs, and may remain that way unless regional businesses act now,” said Jack Archer, Deputy CEO at the Regional Australia Institute (RAI).

“It is also time to focus on the capacity for growth in the regional services sector” Jack continued. “Regional development has not yet focused on growth opportunities in services, but with the long term shift in job demand to these parts of the economy, it is essential that we do so now.”

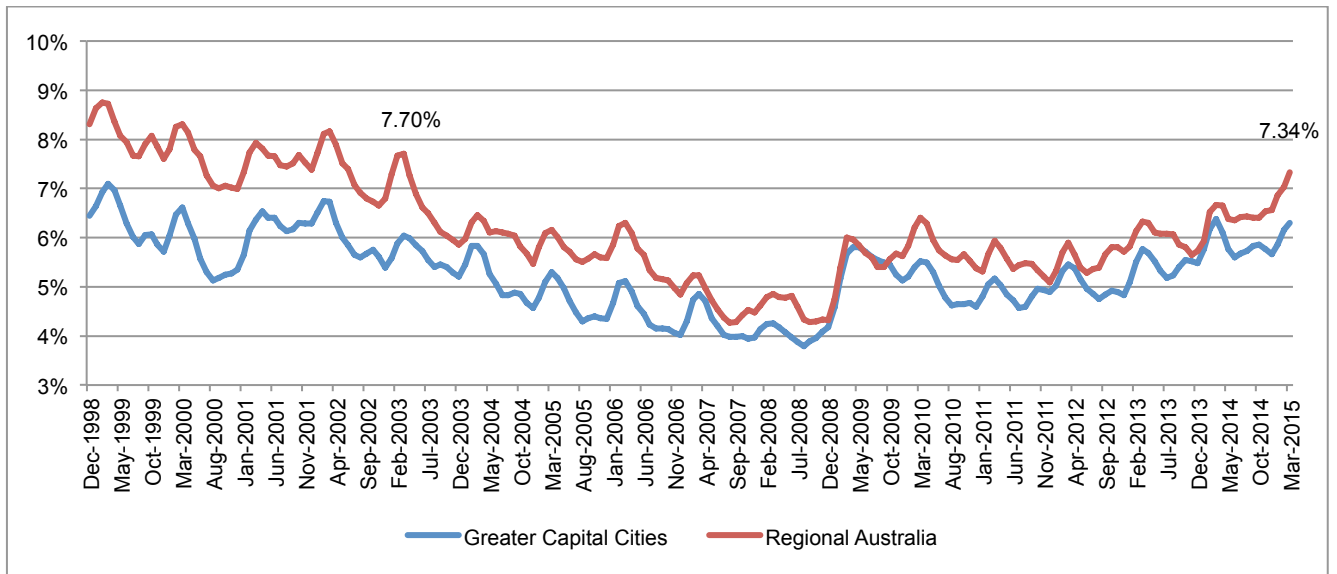
The latest numbers also confirm the significant shift in job demand is well underway within mining regions, with the Hunter, Mackay and Western Australian outback regions all recording substantially higher unemployment.

“We know these regions have the economic fundamentals and innovation capacity to transition beyond the mining boom, but we need to ensure that we support regional businesses to make the transition and avoid long term unemployment problems for these regions,” he said.

For the full RAI analysis of the latest regional unemployment data, see attached document.

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ⁱⁱⁱ Regional unemployment has been calculated by the Regional Australia Institute using Australian Bureau of Statistics labour force data for Greater Capital Cities and Rest of State.



About the Regional Australia Institute

The Regional Australia Institute (RAI) is an independent policy think tank and research organisation. It's the vital link between research, policy and implementation.

The RAI advocates for change to build a stronger economy and better quality of life in regional Australia – for the benefit of all Australians.

For more information on the RAI go to www.regionalaustralia.org.au

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