



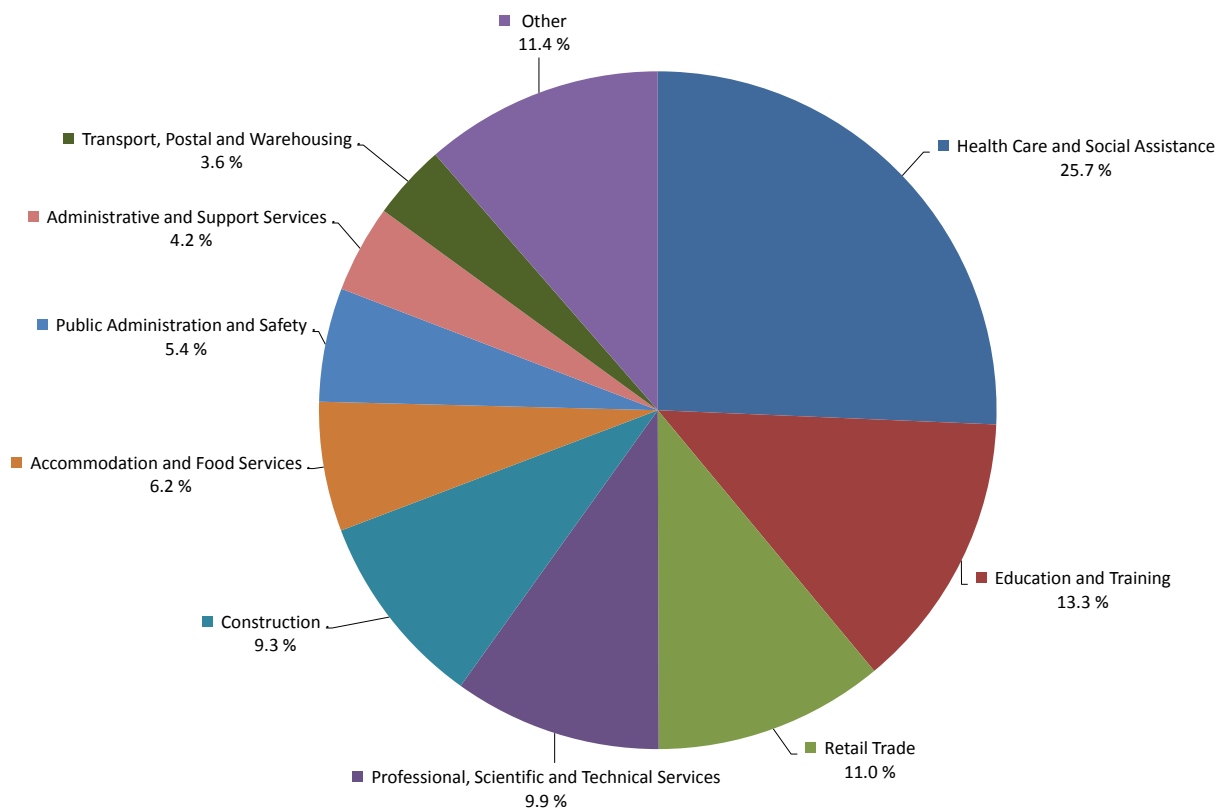
These projections are based on ABS employment data for November 2013 and the Government's forecasts and projections in the December 2013 Mid-Year Economic and Fiscal Outlook (MYEFO).

As such, they may not fully take account of the Government's policies to boost employment growth, including reducing red tape costs, lowering the company tax rate and abolishing the carbon and mining taxes. Accordingly, these projections may understate employment growth over the five years to November 2018.

Overview

- The Department of Employment projects employment to grow by 838,100 (or 7.2 per cent) over the five years to November 2018. Employment is projected to grow in 16 of the 19 broad industries over the five years to November 2018, with declines in employment projected for **Manufacturing, Mining and Agriculture, Forestry and Fishing**.
- Health Care and Social Assistance** is projected to make the largest contribution to employment growth (increasing by 229,400), followed by **Education and Training** (118,800), **Retail Trade** (98,200), **Professional, Scientific and Technical Services** (88,700) and **Construction** (83,500). Together, these five industries are projected to provide more than two thirds of the employment growth to November 2018.

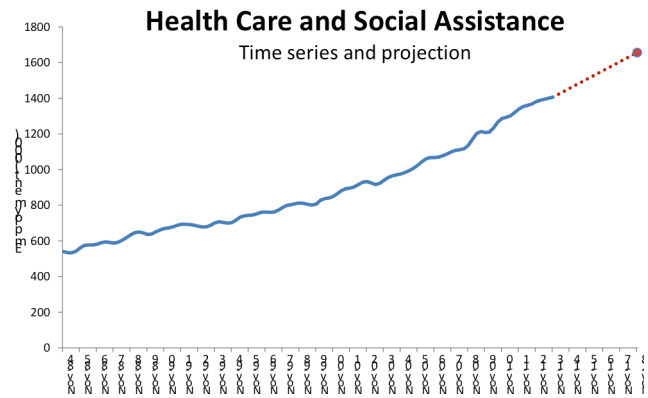
Share of projected employment growth to November 2018 by Industry¹



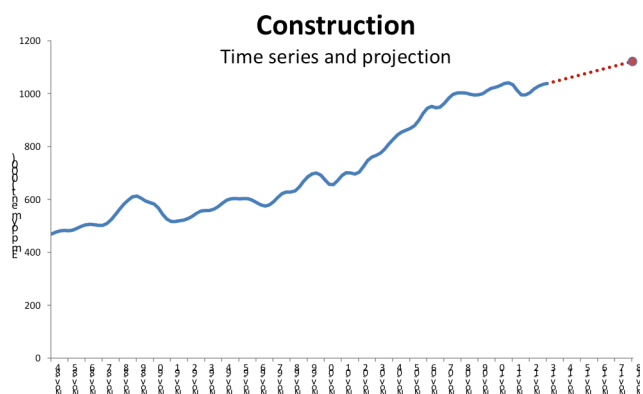
¹ 'Other' consists of 'Other Services', 'Financial and Insurance Services', 'Wholesale Trade', 'Arts and Recreation Services', 'Rental, Hiring and Real Estate Services', 'Electricity, Gas, Water and Waste Services' and 'Information Media and Telecommunications'. Agriculture, Forestry and Fishing, Mining and Manufacturing are excluded from the chart as they are not projected to grow over the five years to November 2018.

Industry Commentary

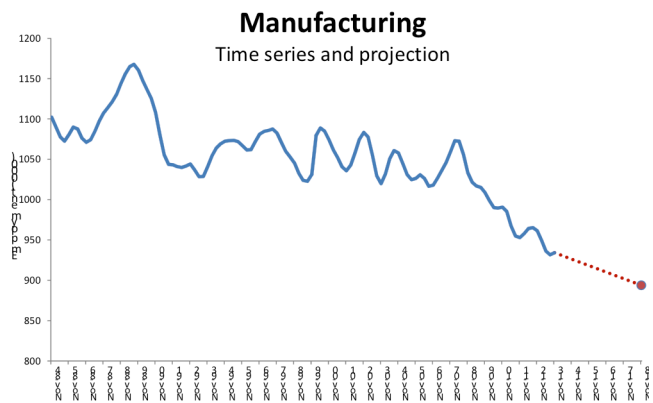
- Health Care and Social Assistance** has been the primary provider of new jobs in the Australian labour market in the short, medium and long term. Over the next five years, the industry is projected to contribute one quarter of the total employment growth, increasing by 229,400 (or 16.3 per cent). Factors contributing to this strong projected growth include the implementation of the National Disability Insurance Scheme, Australia's ageing population, and increasing demand for childcare and home based care services.



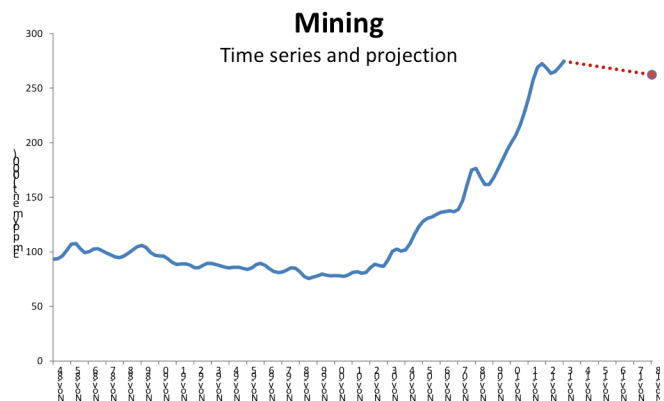
- Employment in **Education and Training** is projected to increase by 118,800 (or 13.3 per cent) over the five years to November 2018, the second largest projected increase of any industry. This growth is expected to be supported by above average growth in the school aged population and continuing growth in part-time workers and non-teaching staff.
- The **Retail Trade** industry is projected to record the third largest employment growth over the five years to November 2018, increasing by 98,200 (or 7.8 per cent). This projection reflects recent improvements in consumer confidence and the ongoing support of historically low interest rates, which has seen employment in the Retail Trade industry rise by 28,300 (or 2.3 per cent) over the past year, compared with growth of 0.4 per cent per annum over the five years to November 2013.
- Employment in **Professional, Scientific and Technical Services** is projected to increase by 88,700 (or 9.9 per cent) over five years to November 2018, having risen by 106,200 (or 13.4 per cent) over the five years to November 2013. Reflecting the subdued outlook for mining investment in the period ahead, growth for Architectural, Engineering and Technical Services is expected to slow, with Legal and Accounting Services and Computer System Design and Related Services expected to provide most of the growth in the industry over the next five years.
- Construction** industry employment is projected to grow by 83,500 (or 8.0 per cent) over the five years to November 2018. Following several years of subdued growth, employment in Construction has increased by 34,500 (or 3.4 per cent) over the past year, against the backdrop of a strong rise in building approvals during 2013 and historically low interest rates which are likely to support growth into the period ahead.



- The long-term decline in **Manufacturing's** share of total employment is expected to continue, with employment in the industry projected to decline by 40,300 (or 4.3 per cent) over the five years to November 2018. This decline is expected to be primarily driven by a projected fall of 25,300 (or 53.3 per cent) in Motor Vehicle and Motor Vehicle Part Manufacturing, following the announced plant closures by Ford, Toyota and Holden. Reflecting the overall weakness of the industry, a decline in employment is projected for 11 of the other 15 Manufacturing sectors, with notable growth only projected in Food Product Manufacturing (up by 6900, or 3.8 per cent).



- Over the past year, employment growth in **Mining** has slowed, with employment in the industry rising by just 6100 (or 2.3 per cent) over the year to November 2013, well below the average annual growth rate of 11.5 per cent recorded over the past ten years. Against the backdrop of an expected peak in capital expenditure and the transition of new mines from a construction phase to a less labour intensive operational phase, employment in Mining is projected to decline by 12,300 (or 4.5 per cent) over the five years to November 2018.



- Employment in **Agriculture, Forestry and Fishing** is projected to decline by 2800 (or 0.9 per cent) over five years to November 2018, reflecting a continuation of the industry's long-term decline in employment share, as well as the continued investment by the industry in labour-saving plant and equipment.

Department of Employment Industry Projections to November 2018

Industry	Projected employment growth to November 2018	
	('000)	(%)
Agriculture, Forestry and Fishing	-2.8	-0.9
Mining	-12.3	-4.5
Manufacturing	-40.3	-4.3
Electricity, Gas, Water and Waste Services	9.8	6.2
Construction	83.5	8.0
Wholesale Trade	19.9	4.9
Retail Trade	98.2	7.8
Accommodation and Food Services	55.2	7.1
Transport, Postal and Warehousing	32.1	5.5
Information Media and Telecommunications	0.2	0.1
Financial and Insurance Services	20.5	4.9
Rental, Hiring and Real Estate Services	15.1	7.7
Professional, Scientific and Technical Services	88.7	9.9
Administrative and Support Services	37.3	9.6
Public Administration and Safety	48.5	6.3
Education and Training	118.8	13.3
Health Care and Social Assistance	229.4	16.3
Arts and Recreation Services	15.6	7.4
Other Services	20.7	4.4
All Industries	838.1	7.2

Background and Methodology

Each year, the Department of Employment produces employment projections by industry, occupation and region for the following five years, the latest being the five years to November 2018. These projections are produced using detailed data from the ABS Labour Force Survey.

The projections have been derived from best practice time series models that summarise the information that is in a time series and convert it into a forecast. The projections are made by combining forecasts from autoregressive integrated moving average (ARIMA) and exponential smoothing with damped trend (ESWDT) models, with some adjustments made to take account of research undertaken by the Department of Employment and known future industry developments. The projection for total employment growth is consistent with the Government's forecasts and projections for total employment growth, as published in the latest Mid-Year Economic and Fiscal Outlook (MYEFO).

The projections to November 2018 are available on the Department's Labour Market Information Portal (LMIP) at <http://lmip.gov.au/default.aspx?LMIP/EmploymentProjections>. Occupational and regional projections for the five years to November 2018 are expected to become available in the coming months.

For further information, please contact Carmel O'Regan (02 6240 2599) or email carmel.oregan@employment.gov.au. Any media enquiries should be directed to the Department of Employment media unit (media@employment.gov.au).