Regional unemployment in Queensland: Dimensions and policy issues

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Abstract

The problems of regional decline and regional unemployment have taken on a particular importance in Queensland in recent years. However, it is clear that the two issues are separate and require different policy solutions. While many regional communities have experienced declining population and employment, they have generally maintained low unemployment rates. By contrast, many of the regions with the highest unemployment rates have experienced very fast population and employment growth. Analysis suggests that population tends to adjust quite quickly to declining employment opportunities through migration. Ironically, however, such migration flows tend to increase unemployment rate differentials between regions, as people move from low unemployment/low employment growth regions to high unemployment/high employment growth regions. Industry structure, structural change and educational attainment are also relevant to regional unemployment, but the linkages are complex and appear to differ between regions.