The Territory’s jobless rate fell by 0.4% in August to 5.8%, according to the latest ABS Labour Force data.

Treasurer Syd Stirling said while the drop was welcome, recorded decreases in employment and participation rates were a concern.

"The figures do need to be treated with caution because of the volatility of monthly figures and the small sample size used by the ABS," he said.

"Labour Force figures are also a ‘lag’ indicator, meaning they record what has occurred in previous months.

"Consequently, these latest figures are recording the expected drop off in activity as railway construction draws to a close, but fail to take into account the 1500 people who have signed on for jobs at the Wickham Point LNG Plant."

Mr Stirling said housing finance commitment figures released earlier this month were a more accurate ‘lead’ indicator of where the economy is heading.

"Those figures show that the Territory has the highest growth in the country in terms of housing finance commitments, which is a sign of real confidence in the economy," he said.

"In addition, ANZ job ads for August recorded a 5.7% increase for the Territory – once again a positive sign for the economy in the short to medium term.

"Territory employment is forecast to strengthen in 2003-04, boosted by job opportunities related to the first full year of construction of the LNG plant at Wickham Point.

"The Territory also has a number of other major projects coming on line over the new few years.

"As well as gas coming onshore, Government is spending record amounts on capital works infrastructure, development of the wharf precinct is underway, initial planning has begun on a $600 million waterfront development, and signs are positive for the Alcan expansion at Gove.

"All of these projects will mean more jobs for Territorians and a better economic climate for business."