

Labour Force November 2025

Employment and Hours Worked

Seasonally adjusted employment fell 21.3k in November (mkt exp +20k) following a 41.1k increase in October (revised from 42.2k).

The decline was driven by full-time employment, following a solid increase in October. This was partly offset by a gain in part-time employment.

The annual rate of employment growth eased 0.3ppts to 1.3%.

Aggregate hours worked were unchanged following a 0.4% increase in October, with annual growth slipping 0.9ppts to 1.2%.

Australia (Seasonally Adjusted)	Dec ('000)	Nov ('000)	YoY (%)
Total	-21.3	41.1	1.3
Full Time	-56.5	53.6	0.6
Part Time	35.2	-12.5	0.8
Aggregate Hours Worked (%)	0.0	0.4	1.2
Participation Rate (%)	66.7	66.9	-
Unemployment Rate (%)	4.3	4.3	-

Unemployment, Underutilisation and Participation

The seasonally adjusted unemployment rate was steady at 4.3% (mkt exp 4.4%), as the fall in labour force participation offset the decline in employment, leaving the number of people counted as unemployed down 2.1k in seasonally adjusted terms.

The decline in labour force numbers saw the participation rate fall 0.2ppts to 66.7%.

The underemployment rate – those working less hours than they'd like – increased 0.4ppts to a 13-month high of 6.2%. The underutilisation rate, which combines unemployment and underemployment, also gained 0.4ppts to rise to a 15-month high of 10.5%.

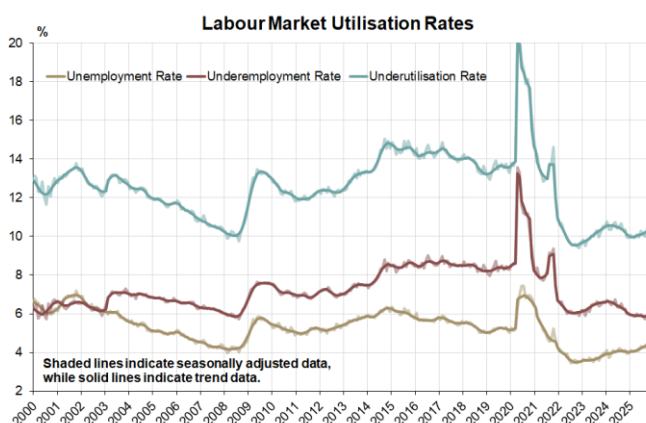
The States

Victoria and South Australia were the only States to see job gains, while Queensland and New South Wales saw the biggest declines.

New South Wales boasts the lowest unemployment rate of all the states at 3.9%, as a decline in labour force participation more than offset the fall in employment in November.

Employment fell in Western Australia in November, however the State's labour force participation rate of 68.4% remains the highest of all the States. The employment to population ratio of 65.3%, perhaps the best measure of labour market health, also remains well above the national average of 63.8%.

States (Seasonally Adjusted)	MoM ('000)	YoY (%)	Unemployment Rate (%)
Western Australia	-3.6	0.6	4.6
New South Wales	-6.2	0.7	3.9
Victoria	19.0	1.8	4.7
Queensland	-9.7	0.8	4.2
South Australia	5.1	4.6	4.0
Tasmania	-1.8	1.7	4.1



Comment

The Australian labour market report for November was on balance, soft, despite there being no change in the unemployment rate.

While we shouldn't make too much of one employment report, the November numbers are further indication that the easing in the Aussie labour market has continued.

The decline in employment being led by full-time jobs and rise in underutilisation suggest that some of the labour market tightness is gradually lifting. Although underutilisation remains low.

Monthly employment growth has averaged just 11.8k in 2025 and has slowed further in recent months. However, a falling labour force participation rate has helped keep the unemployment rate relatively steady over the past few months, after it increased from 4.0% to 4.3% over the first seven months of the year.

The RBA remains concerned about labour market tightness and would be pleased with the ongoing easing in conditions.

Further modest increases in the unemployment rate would likely assist in helping to reduce some of the upward pressure on inflation.

However, it is a fine line between wanting to take a little heat out of the labour market and generating a sharp rise in joblessness.

11 December 2025