Australian Government | Jobs and Skills Australia

Regional Labour Market Indicator (RLMI) Results – March 2026

This Report:

1. Labour market conditions are stronger on average in major cities, compared to outcomes across regional Australia which are more mixed.
2. The Regional Labour Market Indicator (RLMI) has been further enhanced through the addition of a labour productivity measure in March 2026. The inclusion of productivity reflects its central role in understanding labour market performance as it captures the efficiency with which labour is used in the economy – how effectively workers, jobs, and capital combine to generate output. Encouragingly, the data show productivity growth has strengthened in regional and remote Australia in recent years.
3. This release also introduces a combined rating for Remote Australia, reflecting that some labour markets are geographically isolated, with shared structural challenges across regions. These may include limited job opportunities, lower levels of educational attainment, difficulties attracting and retaining workers, and more limited access to services and infrastructure.

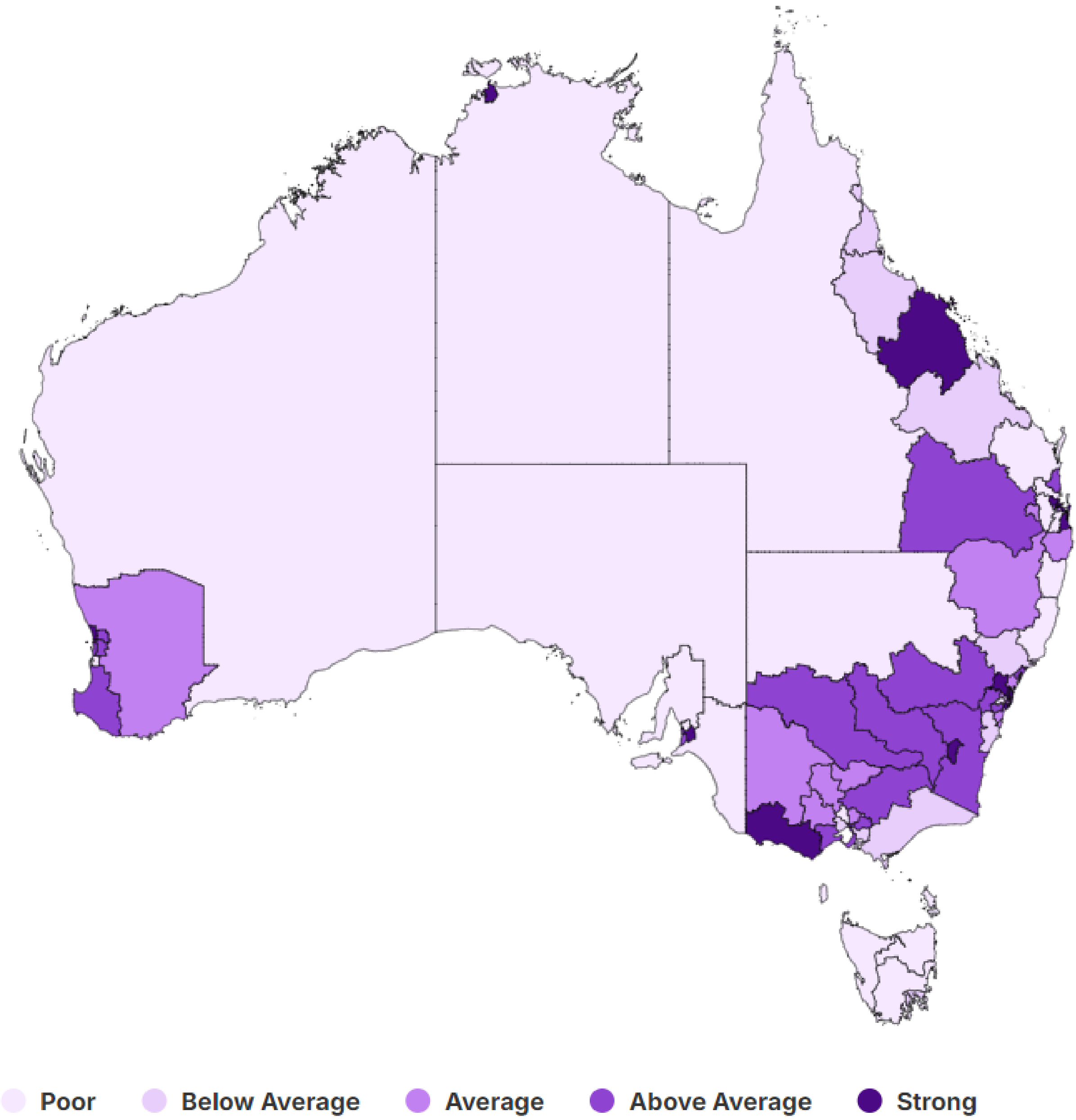
Labour market conditions are stronger on average in major cities, compared to outcomes across regional Australia which are more mixed

The March 2026 RLMI results show that regional and remote areas are more likely than major cities to experience relatively weaker labour market conditions, while also reflecting a diverse range of outcomes across regional Australia (see Chart 1, below).

- Around two thirds (64%) of SA4s located in major city areas were rated either ‘strong’ or ‘above average’ in March 2026. Strong labour market conditions are evident across most major city labour markets, particularly in Sydney, Melbourne, Brisbane and Perth.
- Strong labour market conditions are also evident in a number of regional areas. This includes regions surrounding Greater Brisbane, such as the Gold Coast and Sunshine Coast, as well as parts of south west Western Australia, the Surf Coast region of Victoria, and across parts of the Southern Murray–Darling Basin.
- With that said, outcomes vary across regional labour markets, with 38% rated ‘below average’ or ‘poor’, including in parts of Northern Australia, regional and coastal New South Wales (such as the Mid North Coast and Coffs Harbour–Grafton), the Spencer Gulf region and surrounds of South Australia, and across Tasmania, including Hobart.

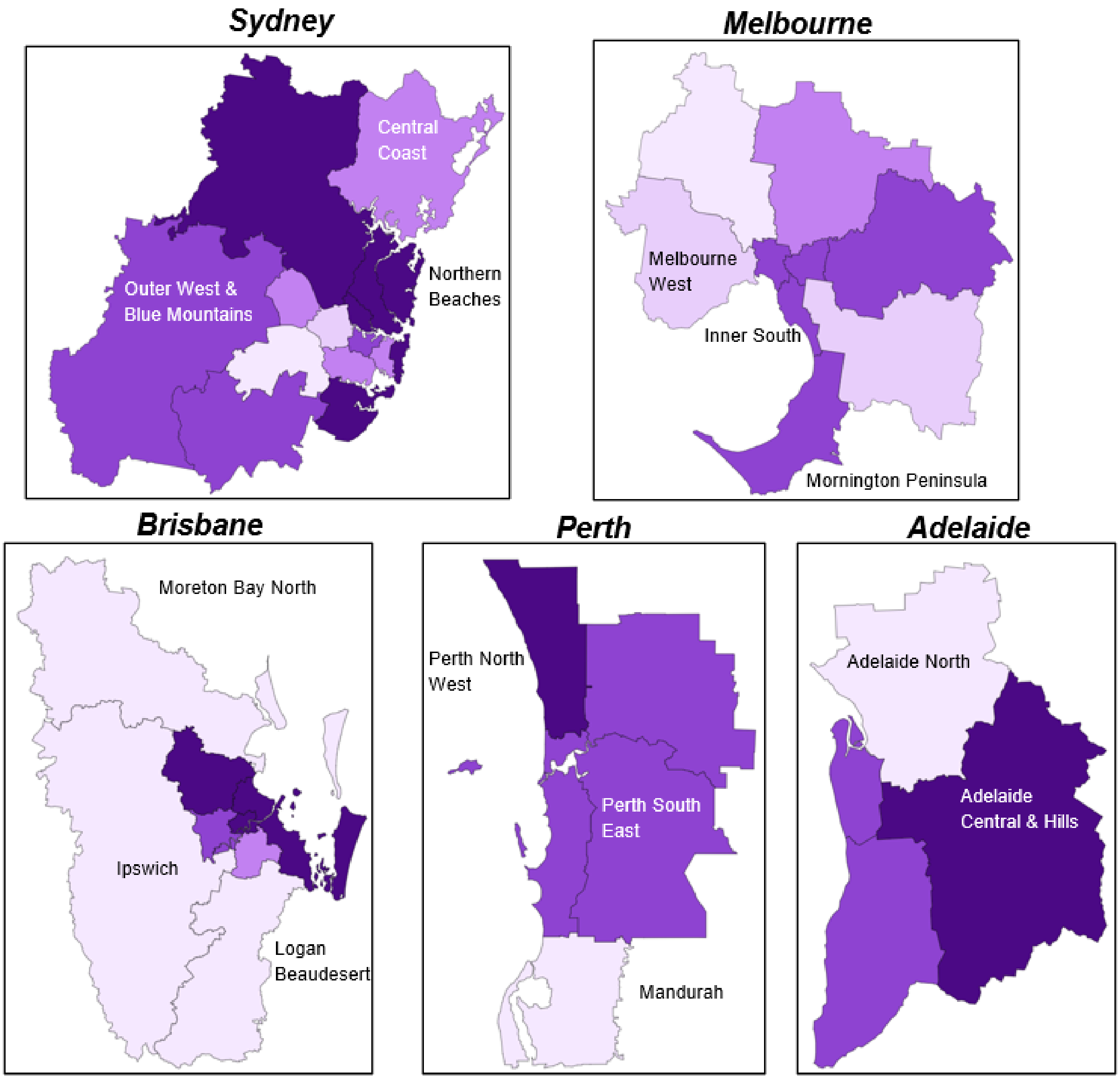
- All 6 remote SA4s (100%) were rated ‘poor’ in March 2026, highlighting the particularly challenging labour market conditions in the remote areas of Australia. The combined Remote Australia region was also rated ‘poor’.

Chart 1: RLMI ratings of relative labour market performance, March 2026



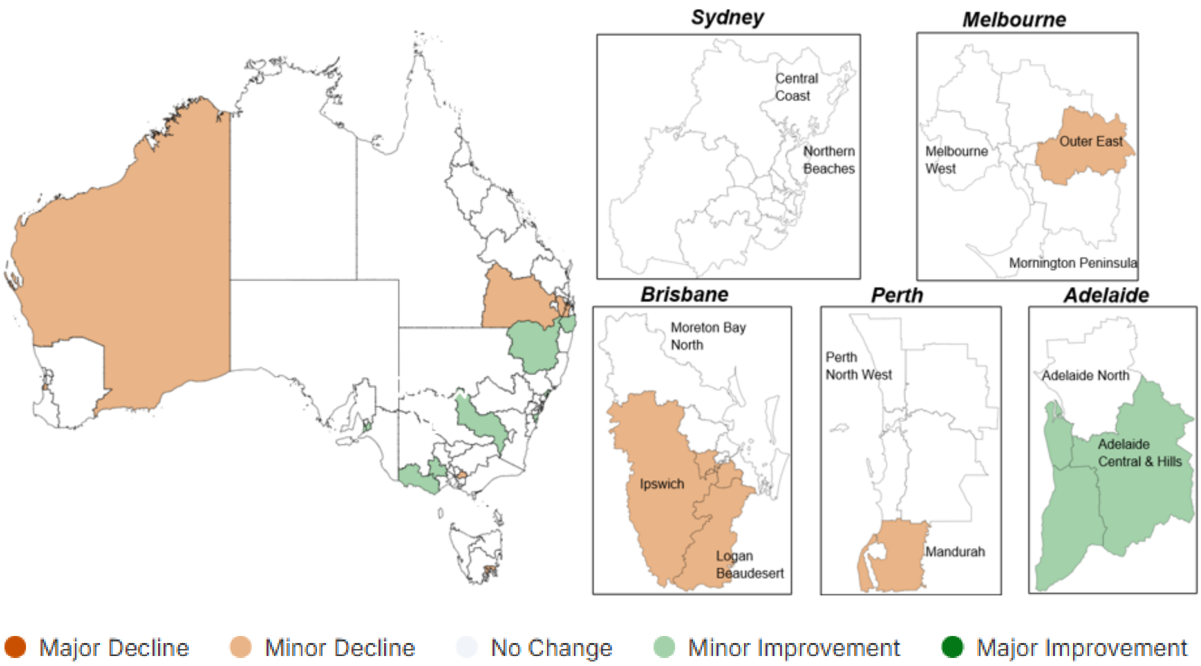
Source: JSA, *Regional Labour Market Indicator (RLMI)*, March 2026

Chart 2: RLMI ratings of relative labour market performance, by selected Capital Cities, March 2026



Source: JSA, *Regional Labour Market Indicator (RLMI)*, March 2026

Chart 3: 1-year change in RLMI ratings of relative labour market performance, March 2026



Source: JSA, *Regional Labour Market Indicator (RLMI)*, March 2026

Chart 3 above presents the change in RLMI ratings over the past year. While most regions recorded no change, there are signs that labour market conditions have softened across parts of Greater Brisbane and surrounding areas, as well as in pockets of Western Australia (including Mandurah and the Outback), Outer East Melbourne, and Hobart. By contrast, labour market conditions have improved modestly across several regional areas of New South Wales, parts of regional Victoria, and across metropolitan Adelaide.

Incorporating productivity into labour market performance

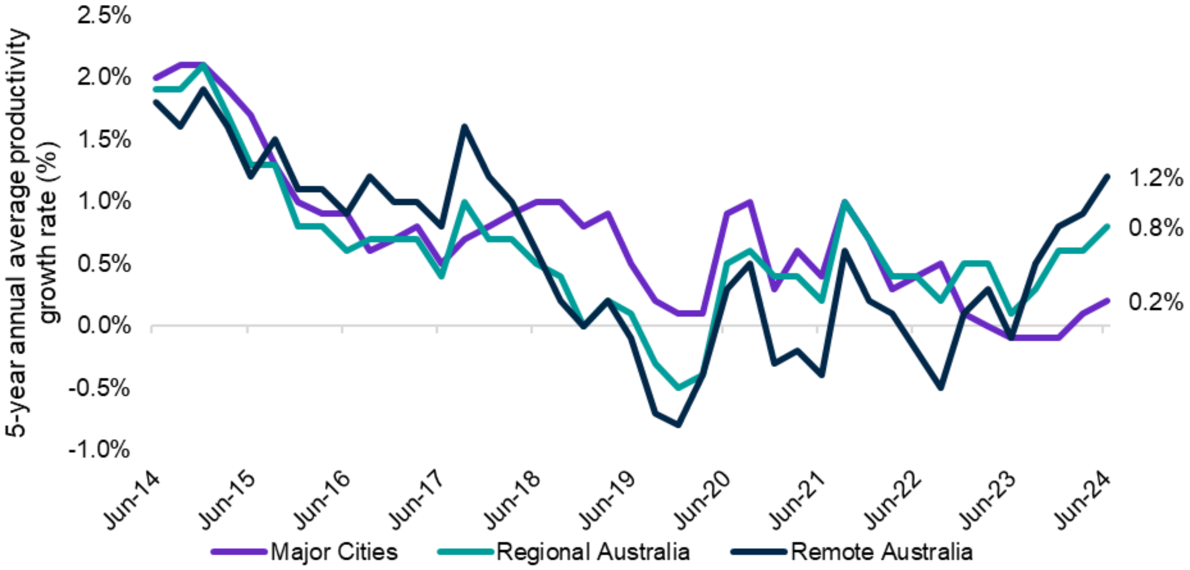
The RLMI has been further enhanced through the addition of a productivity indicator in March 2026. The inclusion of productivity reflects its central role in understanding labour market performance as it captures the efficiency with which labour is used in the economy – how effectively workers, jobs, and capital combine to generate output.

Table 1: New RLMI Indicator – March 2026

Factor	Description	Factor Type
5-year annual average growth rate of productivity	5-year annual average productivity growth rate (%) where productivity is defined as Local Industry Gross Regional Product (GRP at factor cost) per employed person on an industry adjusted basis. Local GRP measures the value of economic activity accruing to the local area after taxes and dividends paid outside the region are removed.	Intersection (structural)

The productivity measure incorporated into the RLMI is based on 5-year average growth in industry-adjusted Gross Regional Product (GRP) per employed person. This industry adjustment ensures that differences across regions reflect variation in within-industry performance rather than variation in industry structure. The use of a 5-year average reduces short-term volatility and cyclical effects, making this a more stable indicator of structural labour market performance, but less responsive to current labour market conditions.

Chart 4: 5-year annual average productivity growth, by remoteness



Source: National Institute of Economic and Industry Research (NIEIR), Regional Productivity dataset, adjusted for industry differences, 2024

Note: See Table 1 for the full list of regions and the classification of 'Major Cities', 'Regional Australia' and 'Remote Australia' used in this report.

Chart 4 above shows that the 5-year annual average productivity growth rate (adjusted for industry differences) has generally moderated over the past decade. While the series shows some variation over time, growth rates across all region types are lower than in the mid-2010s, consistent with broader evidence of a national productivity slowdown. The series also reflects the disruption associated with the COVID period, where measured productivity temporarily declined before rebounding as labour market conditions and output adjusted.

In recent years, however, productivity growth has strengthened in Remote and Regional Australia. Over the past 5 years, productivity has grown by an annual average rate 1.2% in Remote Australia and 0.8% in Regional Australia.

These patterns highlight the importance of interpreting productivity alongside other RLMI indicators. While productivity growth has been stronger in Regional and Remote Australia in recent years, this does not necessarily correspond to uniformly stronger labour market conditions as the March 2026 RLMI results show that regional and remote areas continue to be more likely to experience relatively weaker labour market conditions. Instead, productivity provides a complementary, longer-term lens on how effectively labour is utilised across regions.

The inclusion of productivity reflects continued development of the RLMI, and innovation in JSA data and methods, as JSA continues to review and refine the input factors included in the composite indicator. This ensures the RLMI is a highly robust and reliable measure of labour-market strength.

Remote Australia

New in the March 2026 RLMI release is the inclusion of a combined rating for Remote Australia, produced in addition to the standard Statistical Area 4 (SA4) level ratings.

- Remote Australia comprises the following SA4 regions: Far West and Orana (NSW), Queensland – Outback, South Australia – Outback, Western Australia – Outback (North and South), Tasmania – West and North West, and the Northern Territory – Outback.

This addition recognises that some labour markets are geographically isolated, with shared structural challenges across regions. These may include limited job opportunities, lower levels of educational attainment, difficulties attracting and retaining workers, and more limited access to services and infrastructure. Viewing Remote Australia as a single integrated labour market may help to improve the consistency and interpretability of the evidence, supporting a clearer understanding of labour market conditions across these areas.

Table 1: Labour Market Rating by SA4, March 2026

Statistical Area Level 4 (SA4)	Remoteness[1]	Mar-25	Mar-26	Direction
Central Coast	Major City	Average	Average	Stable
Sydney – Baulkham Hills and Hawkesbury	Major City	Strong	Strong	Stable
Sydney – Blacktown	Major City	Average	Average	Stable
Sydney – City and Inner South	Major City	Average	Average	Stable
Sydney – Eastern Suburbs	Major City	Strong	Strong	Stable
Sydney – Inner South West	Major City	Average	Average	Stable
Sydney – Inner West	Major City	Above average	Above average	Stable
Sydney – North Sydney and Hornsby	Major City	Strong	Strong	Stable
Sydney – Northern Beaches	Major City	Strong	Strong	Stable
Sydney – Outer South West	Major City	Above average	Above average	Stable
Sydney – Outer West and Blue Mountains	Major City	Above average	Above average	Stable
Sydney – Parramatta	Major City	Below average	Below average	Stable
Sydney – Ryde	Major City	Strong	Strong	Stable
Sydney – South West	Major City	Poor	Poor	Stable
Sydney – Sutherland	Major City	Strong	Strong	Stable
Capital Region	Regional	Above average	Above average	Stable
New South Wales – Central West	Regional	Above average	Above average	Stable
Coffs Harbour – Grafton	Regional	Poor	Poor	Stable
Far West and Orana	Remote	Poor	Poor	Stable
Hunter Valley exc Newcastle	Regional	Below average	Below average	Stable
Illawarra	Cities of Regional Australia	Below average	Average	Improved
Mid North Coast	Regional	Poor	Poor	Stable
Murray	Regional	Above average	Above average	Stable
New England and North West	Regional	Below average	Average	Improved
Newcastle and Lake Macquarie	Cities of Regional Australia	Average	Above average	Improved
Richmond – Tweed	Regional	Below average	Average	Improved
Riverina	Regional	Average	Above average	Improved
Southern Highlands and Shoalhaven	Regional	Below average	Below average	Stable
Melbourne – Inner	Major City	Above average	Above average	Stable
Melbourne – Inner East	Major City	Above average	Above average	Stable
Melbourne – Inner South	Major City	Above average	Above average	Stable
Melbourne – North East	Major City	Average	Average	Stable
Melbourne – North West	Major City	Poor	Poor	Stable
Melbourne – Outer East	Major City	Strong	Above average	Declined
Melbourne – South East	Major City	Below average	Below average	Stable
Melbourne – West	Major City	Below average	Below average	Stable
Mornington Peninsula	Major City	Above average	Above average	Stable
Ballarat	Regional	Below average	Average	Improved
Bendigo	Regional	Average	Average	Stable
Geelong	Cities of Regional Australia	Above average	Above average	Stable
Hume	Regional	Above average	Above average	Stable
Latrobe – Gippsland	Regional	Below average	Below average	Stable
Victoria – North West	Regional	Average	Average	Stable
Shepparton	Regional	Average	Average	Stable
Warrnambool and South West	Regional	Above average	Strong	Improved

Statistical Area Level 4 (SA4)	Remoteness[1]	Mar-25	Mar-26	Direction
Brisbane - East	Major City	Strong	Strong	Stable
Brisbane - North	Major City	Strong	Strong	Stable
Brisbane - South	Major City	Above average	Average	Declined
Brisbane - West	Major City	Strong	Above average	Declined
Brisbane Inner City	Major City	Strong	Strong	Stable
Ipswich	Major City	Below average	Poor	Declined
Logan - Beaudesert	Major City	Below average	Poor	Declined
Moreton Bay - North	Major City	Poor	Poor	Stable
Moreton Bay - South	Major City	Strong	Strong	Stable
Cairns	Cities of Regional Australia	Below average	Below average	Stable
Darling Downs - Maranoa	Regional	Strong	Above average	Declined
Central Queensland	Regional	Below average	Below average	Stable
Gold Coast	Cities of Regional Australia	Strong	Strong	Stable
Mackay - Isaac - Whitsunday	Regional	Strong	Strong	Stable
Queensland - Outback	Remote	Poor	Poor	Stable
Sunshine Coast	Cities of Regional Australia	Above average	Above average	Stable
Toowoomba	Cities of Regional Australia	Average	Average	Stable
Townsville	Cities of Regional Australia	Below average	Below average	Stable
Wide Bay	Regional	Poor	Poor	Stable
Adelaide - Central and Hills	Major City	Above average	Strong	Improved
Adelaide - North	Major City	Poor	Poor	Stable
Adelaide - South	Major City	Average	Above average	Improved
Adelaide - West	Major City	Average	Above average	Improved
Barossa - Yorke - Mid North	Regional	Poor	Poor	Stable
South Australia - Outback	Remote	Poor	Poor	Stable
South Australia - South East	Regional	Poor	Poor	Stable
Mandurah	Major City	Below average	Poor	Declined
Perth - Inner	Major City	Above average	Above average	Stable
Perth - North East	Major City	Above average	Above average	Stable
Perth - North West	Major City	Strong	Strong	Stable
Perth - South East	Major City	Above average	Above average	Stable
Perth - South West	Major City	Above average	Above average	Stable
Bunbury	Regional	Above average	Above average	Stable
Western Australia - Outback (North and South)	Remote	Below average	Poor	Declined
Western Australia - Wheat Belt	Regional	Average	Average	Stable
Hobart	Cities of Regional Australia	Average	Below average	Declined
Launceston and North East	Regional	Poor	Poor	Stable
Tasmania - South East	Regional	Poor	Poor	Stable
Tasmania - West and North West	Remote	Poor	Poor	Stable
Darwin	Cities of Regional Australia	Strong	Strong	Stable
Northern Territory - Outback	Remote	Poor	Poor	Stable
Australian Capital Territory	Major City	Strong	Strong	Stable
Northern Australia		*Below average*	*Below average*	*Stable*
Remote Australia	*Remote*	*Poor*	*Poor*	*Stable*

Source: JSA, Regional Labour Market Indicator (RLMI), March 2026

Note: The remoteness classification is a bespoke, Statistical Area 4 (SA4) level typology that draws on elements of the ASGS main and remoteness structures and is supported by factors such as population size and density, and proximity to major centres. The classification is not directly concordant with standard ABS classifications.

RLMI Explanatory Notes

Overview

The RLMI combines key measures of labour supply and demand, including factors that capture how these interact, into a single, easy-to-interpret summary measure.

Regions are grouped into distinct categories of relative overall labour market performance, ranging from ‘poor’ to ‘strong’, which provides an accurate and reliable view of labour market performance, relative to the national average.

A strong labour market, that is characterised by a high rate of employment, where employers can attract, develop and retain sufficient suitable labour to meet current skills needs, and where employment opportunities are broadly accessible and secure, help drive a more productive economy that is central to building a prosperous and inclusive society.

Factors used to assess labour market performance

The 11 input factors currently included in the RLMI are listed below. The factors can be grouped into broader measures of labour supply, demand, with several indicators capturing dynamics at the intersection of these dimensions.

Factor	Description	Factor Type	Availability	Geography	Weight
Employment rate (15-64 years)	The number of employed persons as a proportion of the working age (15-64 years) population (%)	Supply	Monthly	SA4	20%
Unemployment rate	The number of unemployed persons as a proportion of the total labour force (%)	Supply	Monthly	SA4	15%
JobSeeker income support rate	Proportion of the working age (15-64 years) population on JobSeeker Income Support*	Supply	Monthly	SA4	5%
JobSeeker income support for **2 or more years** rate	Proportion of the working age (15-64 years) population on JobSeeker Income Support for 2 or more years	Supply (structural)	Monthly	SA4	15%
Underemployment rate	The number of underemployed persons as a proportion of the labour force (%)	Supply	Monthly	GCCSA	5%
Job vacancy rate	The number of new job vacancies as a proportion of the labour force (%)	Demand	Quarterly	SA4/GCCSA[2]	15%
Job matching efficiency rate	The efficiency with which available jobseekers and vacancies result in successful hires (%)	Intersection	Quarterly	SA4	15%
Vacancy fill rate	The percentage of vacancies that have been filled (%)	Intersection	Monthly	GCCSA	5%
5-year annual average growth rate of productivity	5-year annual average productivity growth rate (%) where productivity is defined as Local Industry GRP (GRP at factor cost) per employed	Intersection (structural)	Quarterly[3]	GCCSA	~2%[4]

Factor	Description	Factor Type	Availability	Geography	Weight
	person on an industry adjusted basis.				
Annual median income growth rate	The percentage change in median total income over the past year (%)	Intersection	Yearly[3]	SA4	~2%[4]
Skill underutilisation rate	Proportion of employed persons working at a lower skill level than the skill level associated with their highest level of qualification (%)	Intersection	5-yearly[3]	SA4	~2%[4]

[1]JobSeeker income support' is a combination of the JobSeeker payment and Youth Allowance (other) payment

[2] Measured at the Greater Capital City Statistical Area (GCCSA) for Major Cities (Sydney, Melbourne, Brisbane, Adelaide, Perth). Measured at the Statistical Area 4 (SA4) level for all other regions.

[3] Note, the data is released with a substantial delay (typically 1–2 years after collection), which limits its usefulness for assessing current labour market conditions.

[4] The 5-year annual average growth rate of productivity, the annual median income growth rate, and the skill underutilisation rate have a combined weight of 5%.

Methodology

Please refer to the RLMI Methodology Paper for more information on the RLMI, including its purpose and factor selection.

Referencing this report

Data in this release should be referenced as: Jobs and Skills Australia, RLMI, March 2026

Contact us

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