Australian Government

Jobs and Skills Australia

Regional Labour Market Indicator (RLMI)

Quarterly Report

June 2026

Contents

Introduction **2**

Labour market conditions are stronger on average in major cities **3**

The major city-regional gap has narrowed **4**

Softening labour market conditions in Greater Melbourne 6

Improving labour market conditions in North-eastern New South Wales 7

Challenging labour market conditions persist in Remote Australia **7**

Appendices **10**

Appendix 1: Labour Market Rating by SA4, June 2026 10

Appendix 2: RLMI Explanatory Notes 12

Introduction

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.

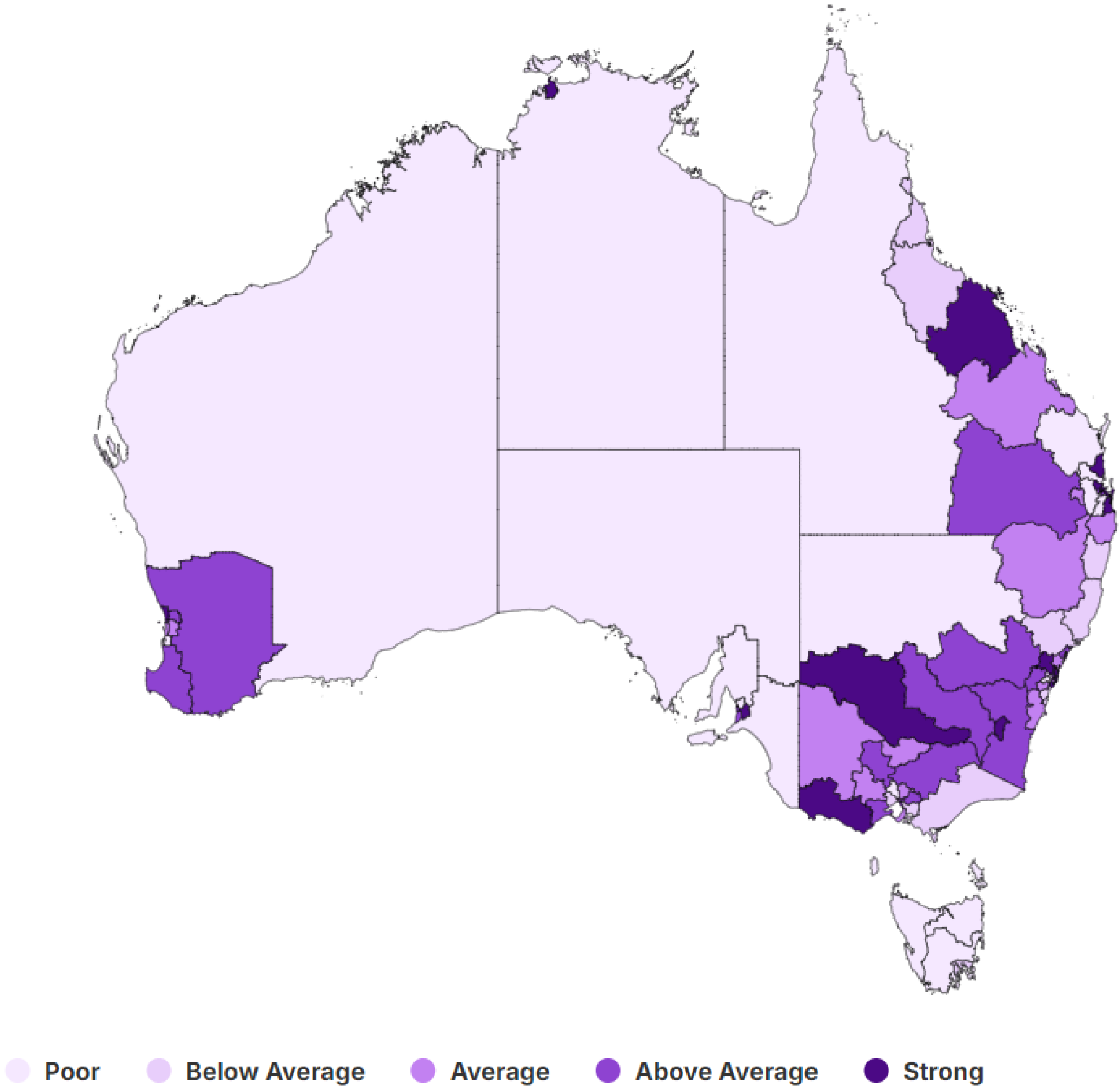
Regions are grouped into distinct categories of relative overall labour market performance, ranging from ‘poor’ to ‘strong’, which provides an accurate and reliable view of labour market performance, relative to the national average.

This Report:

1. Labour market conditions continue to be stronger on average in major cities compared to outcomes across regional Australia, which are more mixed.
2. The gap between major city and regional labour market performance has narrowed over the 3 years to June 2026. This reflects improving conditions in several regional labour markets, including parts of north-eastern New South Wales, alongside softer labour market conditions in some major city areas, including in Melbourne.
3. Remote Australia continues to face persistently challenging labour market conditions. While employment opportunities remain available, persistent recruitment difficulties, lower job matching efficiency, and elevated levels of long-term JobSeeker Income Support continue to constrain labour market performance.

Labour market conditions are stronger on average in major cities

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



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

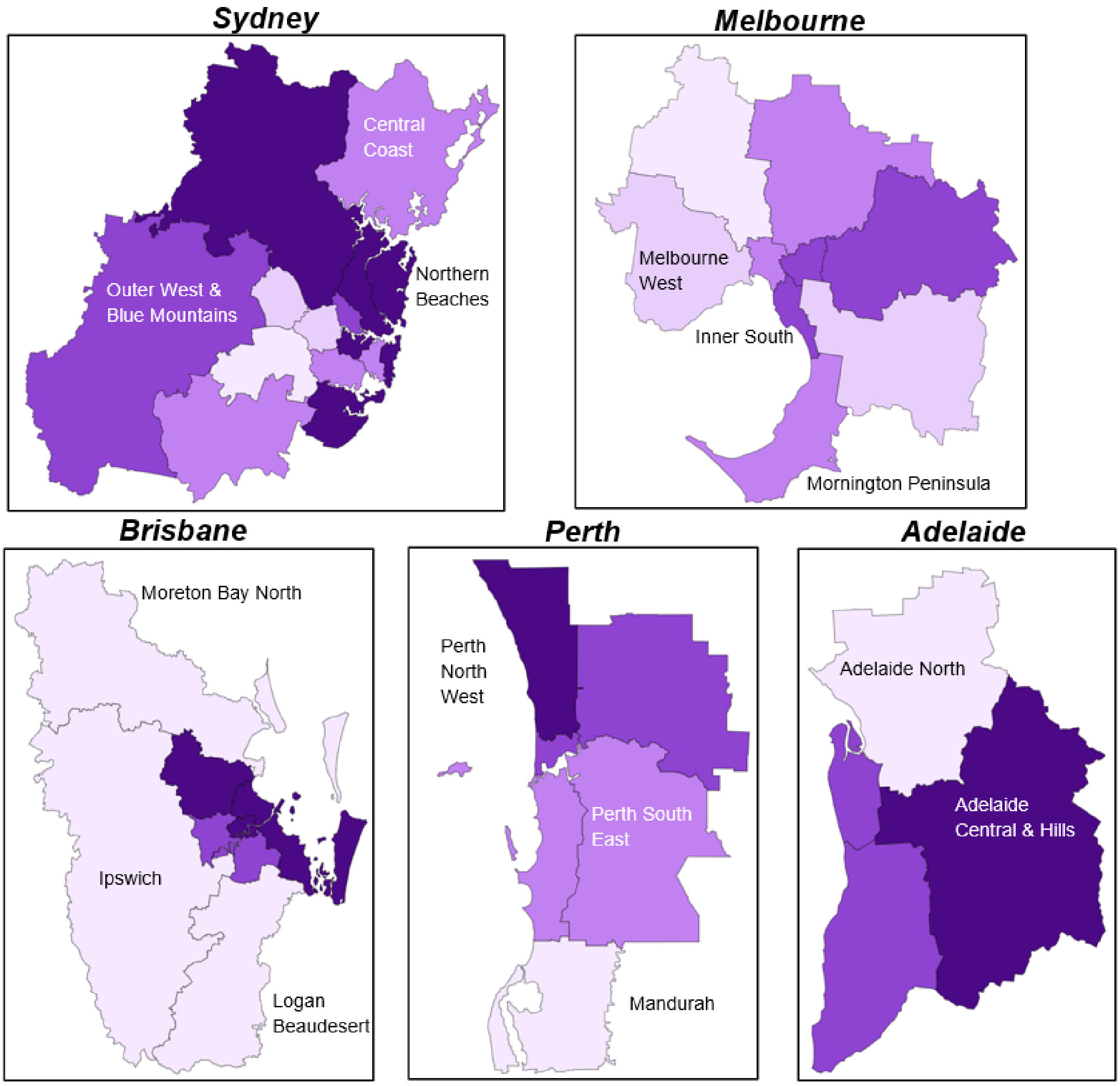
The June 2026 RLMI results show that regional and remote areas are more likely than major cities to experience relatively weaker labour market conditions, while also reflecting a diverse range of outcomes across regional Australia (see Chart 1, above).

- More than half (55%) of SA4s located in major city areas were rated either ‘strong’ or ‘above average’ in June 2026. Strong labour market conditions are evident across most major city labour markets, particularly in Sydney, Brisbane and Adelaide.
- Strong labour market conditions are also evident in a number of regional areas. This includes regional areas 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 35% 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 June 2026, highlighting the particularly challenging labour market conditions in the remote areas of Australia.

Chart 2: RLMI ratings of relative labour market performance, June 2026



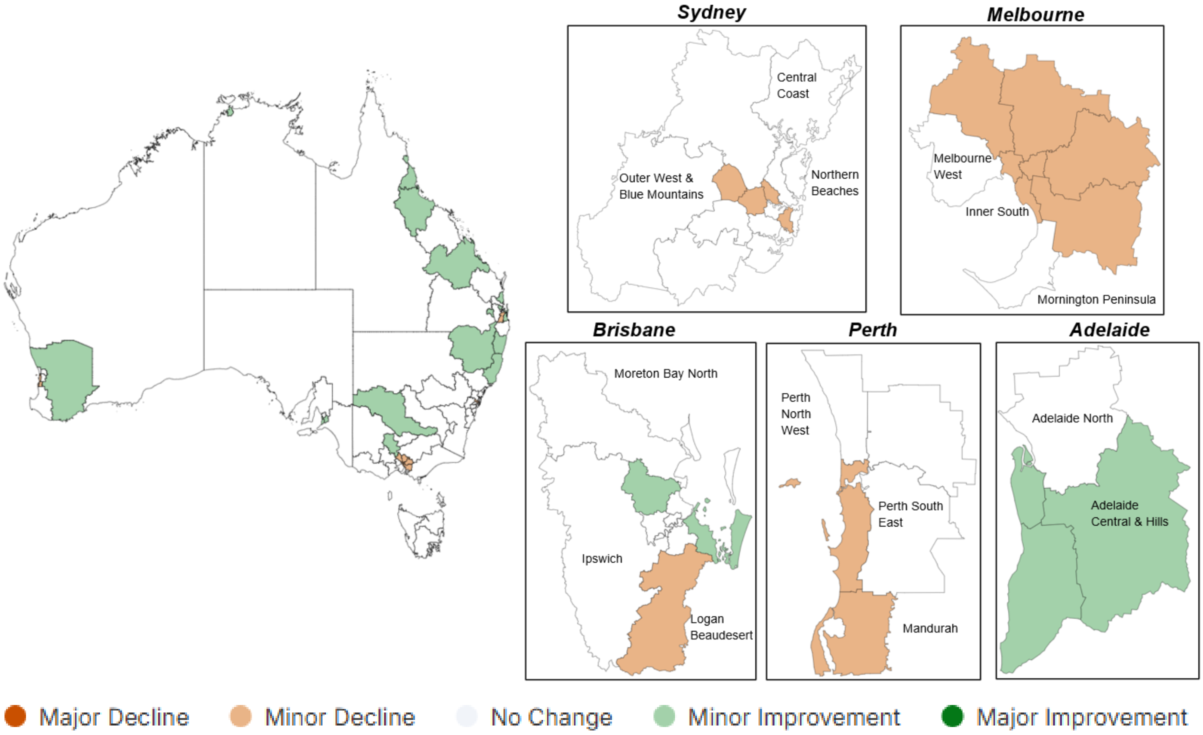
Source: JSA, *Regional Labour Market Indicator (RLMI)*, June 2026

The major city-regional gap has narrowed

While major city labour markets continue to perform somewhat better on average than regional labour markets, the gap has narrowed in recent years. This reflects a relative improvement in a number of regional labour markets, alongside some softening in labour market conditions across parts of the major cities.

Chart 3 presents the change in RLMI ratings over the past 3 years. While most regions recorded no change in their relative labour market rating, the results indicate a narrowing in the difference between major city and regional labour market performance.

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



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

Table 1 below shows the change in the share of regions rated either 'strong' or 'above average' and 'below average' or 'Poor' between June 2023 and June 2026 by remoteness category.

- The results indicate that the share of regional labour markets rated 'strong' or 'above average' increased by 5 percentage points over the last 3 years, while the share rated 'below average' or 'poor' fell by 8 percentage points.
- Over the same period, the share of major city labour markets rated 'strong' or 'above average' declined by 5 percentage points, while the share rated 'Below average' or 'poor' increased by 7 percentage points.
- Labour market ratings in Remote Australia remain unchanged, with all remote regions continuing to be rated 'poor'.

Table 1: Change in the share (%) of regions by rating category over the 3-years to June 2026

	Major City	Regional	Remote
'Strong' or 'Above average'	-5% pts	+5% pts	0% pts
'Below average' or 'Poor'	+7% pts	-8% pts	0% pts

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

The narrowing in the gap between major city and regional labour markets largely reflects changes in a relatively small number of labour markets rather than a broad-based shift in labour market conditions. As illustrated by the working-age employment and unemployment rates shown in Charts 4 and 5, the overall relationship between major city and regional labour markets remains broadly unchanged.

Rather, several metropolitan regions, including across Melbourne, recorded weaker RLMI ratings in recent years, while a number of regional labour markets strengthened, including parts of north-eastern New South Wales. Together, these movements contributed to a narrowing in the gap between major city and regional labour market performance.

Chart 4: Employment rate (15-64 years), June 2016 to 2026

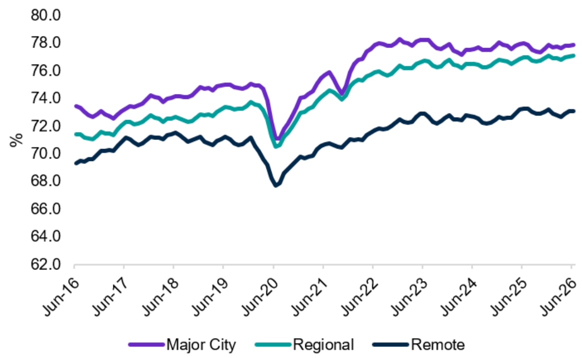
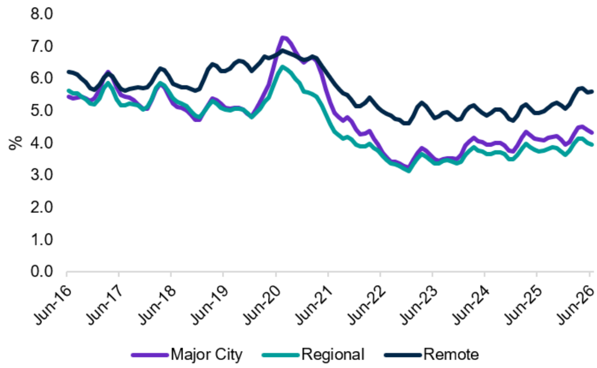


Chart 5: Unemployment rate, June 2016 to 2026



Source: ABS, Labour Force, June 2026, 3-month averages of original estimates

Softening labour market conditions in Greater Melbourne

Several regions across Greater Melbourne recorded weaker RLMI ratings between June 2023 and June 2026. As shown in Chart 6, relative labour market performance weakened across much of Greater Melbourne over the 3-year period.

Contributing to softening labour market conditions in Greater Melbourne is a decline in the working-age employment rate, an increase in unemployment, and a rise in the proportion of the working-age population receiving JobSeeker Income Support. Over the same period, job vacancy rates declined, indicating fewer employment opportunities were available. Together, these trends contributed to lower job matching efficiency, indicating greater difficulty matching jobseekers to available employment opportunities, and weaker productivity growth.

Chart 6: 3-year change in RLMI ratings of relative labour market performance, June 2026

Major Decline Minor Decline No Change Minor Improvement Major Improvement

Table 2: Change in key factors used to assess labour market performance (RLMI) over the last year

	Working Age (15-64 years) Employment Rate (%)	Unemployment Rate (%)	JobSeeker Income Support (%)	Job Vacancy Rate (%)	Job Matching Efficiency Rate (%)	Productivity growth rate (%)
Greater Melbourne	-0.9% pts	+1.2% pts	+1.0% pts	-1.3% pts	-4.3% pts	-1.1% pts
National average	0.0%	+0.7% pts	+0.7% pts	+1.1% pts	+0.4% pts	+0.1% pts

Note: **JobSeeker Income Support** refers to the proportion of the working age population (15-64 years) on the JobSeeker payment and Youth Allowance (other) payment**. Productivity growth rate** refers to the 5-year annual average growth rate of labour productivity.

Improving labour market conditions in North-eastern New South Wales

Several regions across North-eastern New South Wales recorded stronger RLMI ratings between June 2023 and June 2026. As shown in Chart 7, relative labour market performance improved across the region over the 3-year period.

Contributing to improving labour market conditions in North-eastern New South Wales was an increase in the working-age employment rate. Over the same period, vacancy fill rates increased and job matching efficiency improved, indicating labour markets were becoming more effective at connecting jobseekers with available employment opportunities. These improvements were accompanied by a decline in the proportion of the working-age population receiving long-term JobSeeker Income Support.

It is important to note that while labour market conditions have improved, Coffs Harbour Grafton and Mid North Coast were still rated ‘below average’ in June 2026, indicating ongoing labour market challenges for both jobseekers and employers.

Chart 7: 3-year change in RLMI ratings of relative labour market performance, June 2026

Table 3: Change in key factors used to assess labour market performance (RLMI) over the last 3-years

	Working Age (15-64 years) Employment Rate (%)	Job Matching Efficiency Rate (%)	Fill Rate (%)[1]	Long-term JobSeeker Income Support (%)
New England & North West	0.0% pts	+9.3% pts	+16.5% pts	-0.2% pts
Coffs Harbour Grafton	1.0% pts	+2.6% pts	+16.5% pts	-0.9% pts
Mid North Coast	1.2% pts	+7.3% pts	+16.5% pts	-0.8% pts
National average	0.0%	-0.3% pts	-0.2% pts	+0.2% pts

Note: **Long-term JobSeeker Income Support** refers to the proportion of the working age population (15-64 years) on the JobSeeker payment and Youth Allowance (other) payment for 2 or more years.

Challenging labour market conditions persist in Remote[2] Australia

Remote Australia continues to experience the most challenging labour market conditions in the country. All six remote SA4 regions were rated 'poor' in June 2026, reflecting a longstanding pattern of relatively weaker labour market conditions.

Table 4 shows a selection of key indicators contributing to the RLMI assessment for Remote Australia. Compared with the national average, Remote Australia recorded a lower working-

[1] Fill Rate measure for Rest of NSW (Greater Capital City Statistical Area).

[2] 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.

age employment rate, a higher unemployment rate and, most notably, a substantially higher proportion of the working-age population receiving JobSeeker Income Support for 2 or more years. The elevated prevalence of long-term income support receipt points to entrenched labour market disadvantage and reflects the persistence of barriers to employment experienced in many remote labour markets.

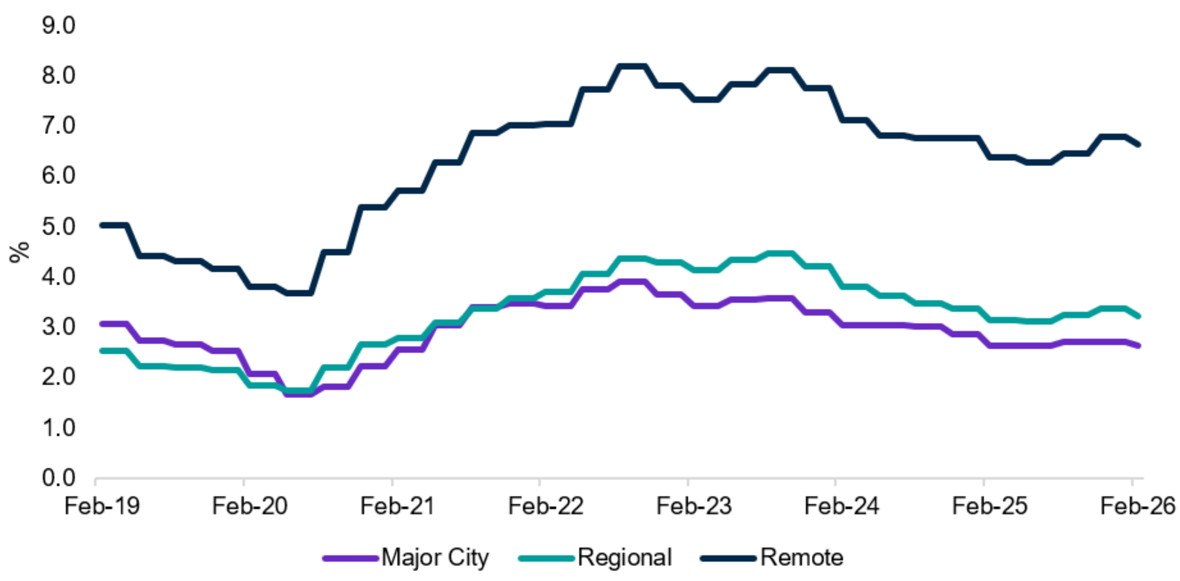
Table 4: Key factors used to assess labour market performance (RLMI)

	Working Age (15-64 years) Employment Rate (%) Jun-26	Unemployment Rate (%) Jun-26	Long-term JobSeeker Income Support (%) Jun-26	Job Vacancy Rate (%) Feb-26	Job Matching Efficiency Rate (%) Nov-25
Remote Australia	73.5%	5.4%	5.5%	6.0%	60.9%
National average	*77.2%*	*4.2%*	*2.5%*	*3.6%*	*82.2%*

Note: **Long-term JobSeeker Income Support** refers to the proportion of the working age population (15-64 years) on the JobSeeker payment and Youth Allowance (other) payment for 2 or more years.

At the same time, the data indicate that labour demand in Remote Australia remains relatively strong. As shown in Chart 8, the job vacancy rate (measured using JSA's *Total New Vacancies*) has consistently remained well above that observed in major city and regional labour markets. The job vacancy rate measures the number of new job vacancies as a proportion of the labour force and provides an indication of the availability of employment opportunities. The persistently elevated vacancy rate suggests that, despite generally weaker labour market conditions, there continues to be a significant number of job opportunities available across Remote Australia.

Chart 8: Job vacancy rate[3], February 2026



Source: JSA, Total New Vacancies, February 2026 (latest available data)

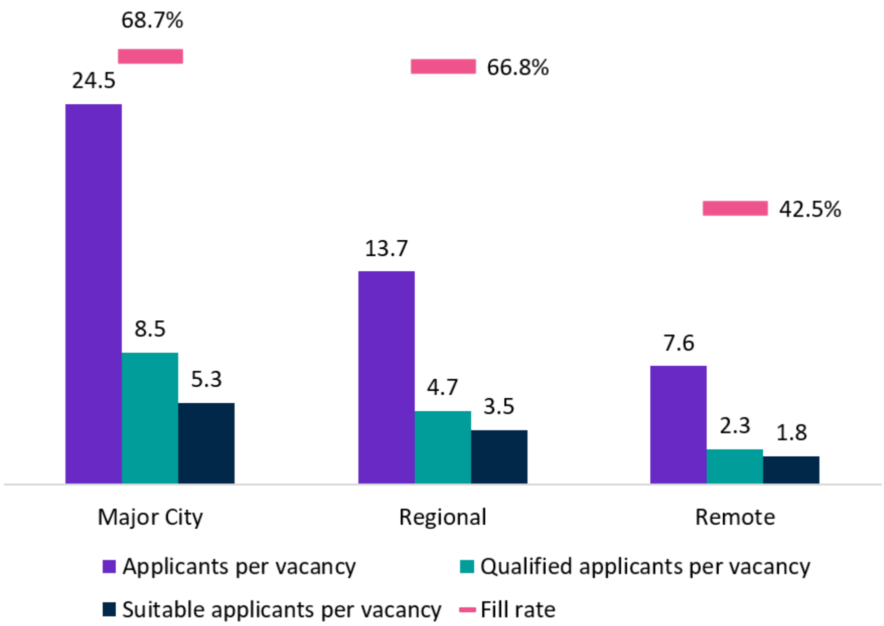
While the relatively high vacancy rate is encouraging, its persistence may also indicate difficulty filling available positions. Further evidence of recruitment challenges is provided by JSA's *Survey of Employers who have Recently Advertised* (SERA). As shown in Chart 9, employers in Remote Australia receive substantially fewer applicants per vacancy than employers in major city and regional labour markets.

[3] The number of new job vacancies as a proportion of the labour force (%)

- On average, skilled vacancies in Remote Australia attracted 7.6 applicants, of whom 2.3 were qualified and 1.8 were considered suitable.
- This compares with 24.5 applicants, 8.5 qualified applicants and 5.3 suitable applicants per vacancy in major cities.
- Remote Australia also recorded the lowest vacancy fill rate (42.5%), compared with 68.7% in major cities and 66.8% in regional areas.

These results highlight the significant recruitment challenges faced by employers across remote labour markets.

Chart 9: Fill rate (%) and total, qualified, and suitable applicants per vacancy (no.), March 2026



Source: JSA, SERA, 12-months to March 2026 (latest available data)

The coexistence of plentiful job opportunities and ongoing recruitment difficulty suggests that the challenge in many remote labour markets is not solely the availability of jobs. Rather, it reflects difficulties matching available workers with available employment opportunities.

- Consistent with this, Remote Australia recorded a job matching efficiency rate[4] of 60.9%, substantially below the national average of 82.2% (Table 4).

Taken together, these indicators suggest that labour market challenges in Remote Australia reflect both weaker labour market conditions and difficulty connecting available workers with available jobs. While employment opportunities remain available, a combination of structural barriers, recruitment difficulties and lower matching efficiency continues to constrain labour market performance across Remote Australia.

[4] Job matching efficiency measures how effectively jobseekers and vacancies are translated into new hires, providing a key signal of the intersection of labour supply and demand.

Appendices

Appendix 1: Labour Market Rating by SA4, June 2026

Statistical Area Level 4 (SA4)	Remoteness	Jun-25	Jun-26	1-year change
Central Coast	Major City	Average	Average	Stable
Sydney - Baulkham Hills and Hawkesbury	Major City	Strong	Strong	Stable
Sydney - Blacktown	Major City	Below average	Below 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	Strong	Improved
Sydney - North Sydney and Hornsby	Major City	Strong	Strong	Stable
Sydney - Northern Beaches	Major City	Strong	Strong	Stable
Sydney - Outer South West	Major City	Average	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	Above average	Above average	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	Below average	Improved
Far West and Orana	Remote	Poor	Poor	Stable
Hunter Valley exc Newcastle	Regional	Poor	Below average	Improved
Illawarra	Cities of Regional Australia	Poor	Below average	Improved
Mid North Coast	Regional	Poor	Below average	Improved
Murray	Regional	Above average	Strong	Improved
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	Average	Average	Stable
Riverina	Regional	Above average	Above average	Stable
Southern Highlands and Shoalhaven	Regional	Below average	Average	Improved
Melbourne - Inner	Major City	Above average	Average	Declined
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	Above average	Above average	Stable
Melbourne - South East	Major City	Below average	Below average	Stable
Melbourne - West	Major City	Below average	Below average	Stable
Mornington Peninsula	Major City	Average	Average	Stable
Ballarat	Regional	Average	Average	Stable
Bendigo	Regional	Above average	Above 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	Strong	Strong	Stable

Source: JSA, Regional Labour Market Indicator (RLMI), June 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.

Statistical Area Level 4 (SA4)	Remoteness	Jun-25	Jun-26	1-year change
Brisbane - East	Major City	Strong	Strong	Stable
Brisbane - North	Major City	Strong	Strong	Stable
Brisbane - South	Major City	Above average	Above average	Stable
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	Poor	Poor	Stable
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	Above average	Above average	Stable
Central Queensland	Regional	Average	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	Strong	Improved
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	Above average	Above average	Stable
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	Poor	Poor	Stable
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	Average	Average	Stable
Perth - South West	Major City	Above average	Average	Declined
Bunbury	Regional	Above average	Above average	Stable
Western Australia - Outback (North and South)	Remote	Below average	Poor	Declined
Western Australia - Wheat Belt	Regional	Above average	Above average	Stable
Hobart	Cities of Regional Australia	Below average	Below average	Stable
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), June 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.

Appendix 2: 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%
Labour productivity (5-year annual average growth rate)	5-year annual average labour productivity growth rate (%) where productivity is defined as Local Industry GRP (GRP at factor cost) per employed person on an industry adjusted basis.	Intersection (structural)	Quarterly[3]	GCCSA	~2%[4]

Factor	Description	Factor Type	Availability	Geography	Weight
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, June 2026

Contact us

For additional information, email RegionalWorkforceAssessment@jobsandskills.gov.au