

Nov 2024

Employment Hero's

SmartMatch Employment Report



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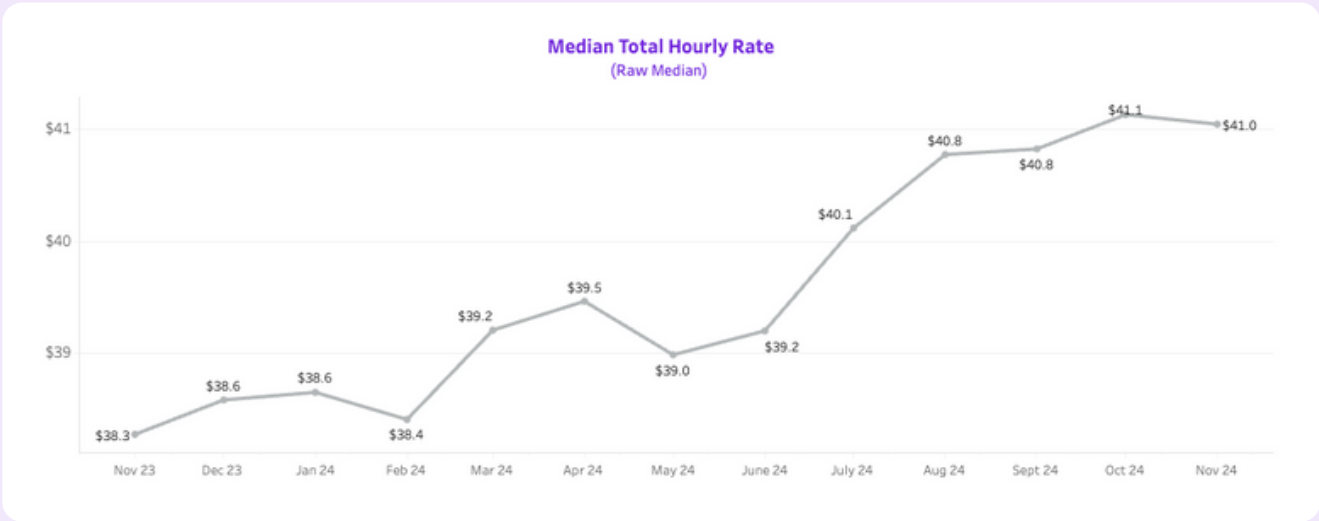
Average Hours Worked

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Methodology



Median Hourly Wages



Monthly Change	Quarterly Change	Annual Change
vs. Oct 2024	vs. Aug 2024	vs. Nov 2023
<div>▼</div> <div>-0.2%</div>	<div>▲</div> <div>+0.1%</div>	<div>▲</div> <div>+5.9%</div>

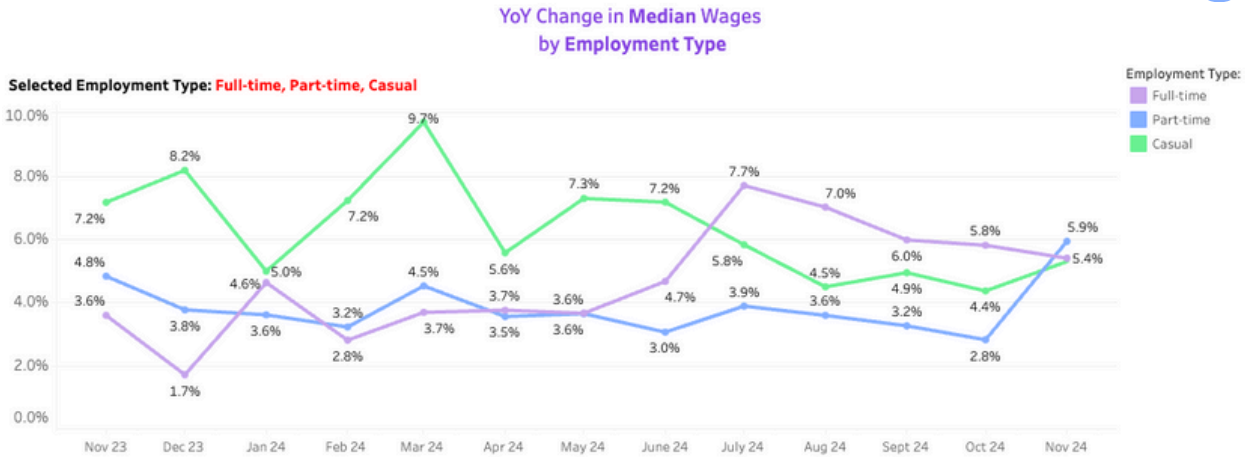
Why this metric matters

The hourly median total rate measures the median hourly rate of both Employment Hero HR and Payroll users and the % change overtime for the preceding 12 months. This includes other pay components beyond the base rate, such as allowances, bonuses and penalty rates. It provides a measure of the typical wage that AU workers earn per hour and helps to shed light on labour market trends.

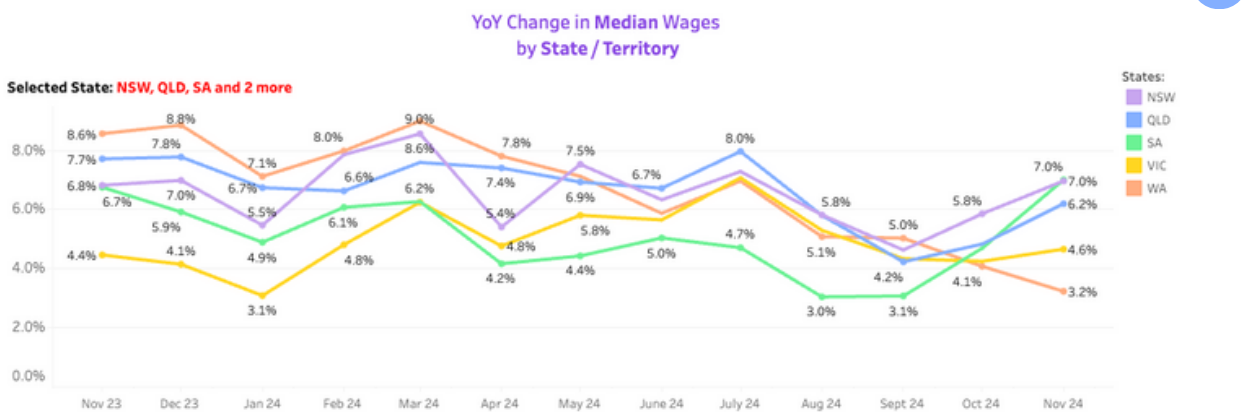
The median hourly rate has risen by +5.9% year-on-year to reach \$41 in Nov 2024. Quarter-on-quarter growth is modest at +0.1%, while month-on-month, there has been a slight decline of -0.2%. This reflects a largely stable growth trend over the past six months, with only minor fluctuations in the rate of increase.

Median Hourly Wages (Breakdowns)

Employment Type Breakdown



State Breakdown



Employment Type Breakdown

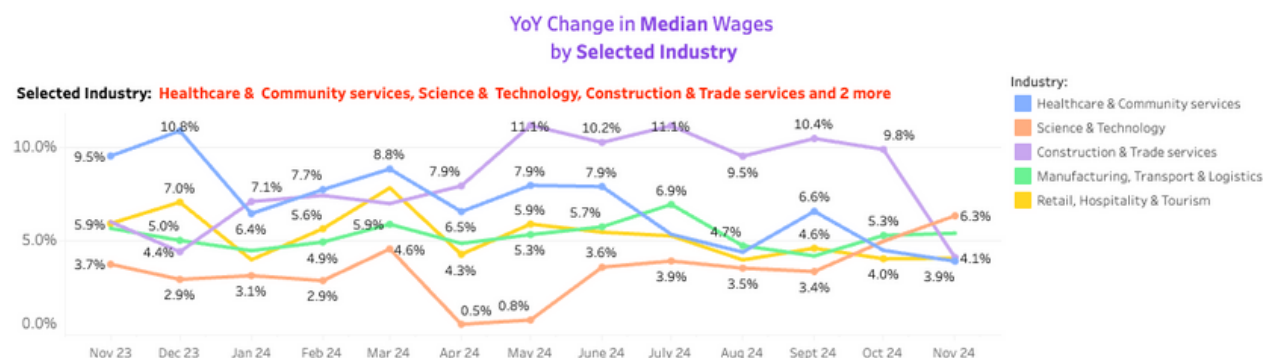
As of Nov 2024, wages growth has picked up for part-time and casual workers, reversing the cooling in momentum observed last month. The rate of growth for part-time employees is now outpacing full-time at +5.9% YoY, whilst casual is slightly behind at +5.3% YoY. YoY wages growth for full-time employees has continued to cool over the past 4 months, now sitting at +5.3% YoY.

State Breakdown

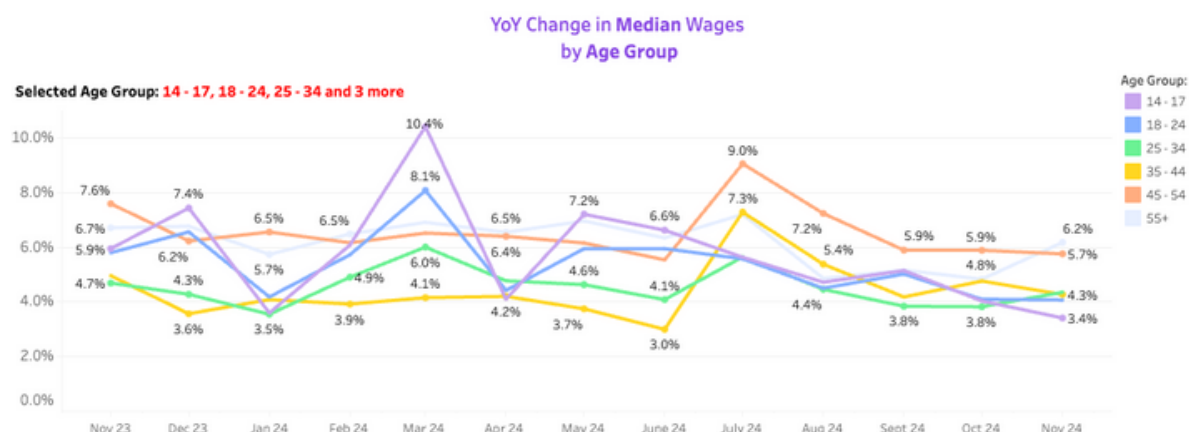
Wage growth momentum increased across all states in Nov 2024, except for WA. NSW and SA led with +7.0% YoY growth, followed by QLD at +6.2%. Victoria saw a slight improvement, rising to +4.6% YoY, though its flattening trend over the past quarter persists. WA continues to lag, with YoY growth at +3.2%, a significant drop from the +8.0%–9.0% range seen earlier this year.

Median Hourly Wages (Breakdowns)

Industry Breakdown



Age Breakdown




Industry Breakdown

YoY wages growth has continued to surge in Science & Technology in Nov 2024, now leading at +6.3% YoY. In contrast, Construction & Trade Services saw a sharp slowdown, with growth halving from October to +4.1% YoY. Healthcare & Community Services experienced a slight deceleration to +3.9% YoY. Meanwhile, Manufacturing & Trade Services and Retail & Hospitality remained stable at +5.4% and +4.1% YoY, respectively.


Age Breakdown

Wage growth strengthened with age in Nov 2024, with younger workers trailing behind older groups. The youngest workers (14–17) saw YoY growth decelerate to +3.4%, while 18–24 year-olds remained flat at +4.1%. Both the 25–34 and 35–44 age groups recorded +4.3% YoY, with the latter experiencing a slight slowdown from Oct. Leading the way, 45–54 year-olds posted +5.7% growth, while the 55+ age group surged to +6.2% YoY.

Median Hourly Wages (Breakdowns)

Employment Type

% Change	Full-Time	Part-Time	Casual
Median Hourly Rate	\$48.70	\$35.40	\$37.50
Monthly	-0.9%	1.1%	-0.5%
Quarterly	-0.8%	1.6%	0.3%
Annual	5.4%	5.9%	5.3%

State Breakdown

% Change	ACT	NSW	NT	QLD	SA	TAS	VIC	WA
Median Hourly Rate	\$43.10	\$41.90	\$41.30	\$41.0	\$38.8	\$36.1	\$41.1	\$40.3
Monthly	-0.2%	-0.4%	0.2%	-0.3%	-0.3%	-1.1%	0.0%	-0.7%
Quarterly	0.6%	-0.1%	-1.5%	0.0%	2.3%	0.8%	0.0%	-0.3%
Annual	6.9%	6.9%	3.6%	6.2%	7.0%	2.5%	4.6%	3.2%

Median Hourly Wages (Breakdowns)

Industry Breakdown



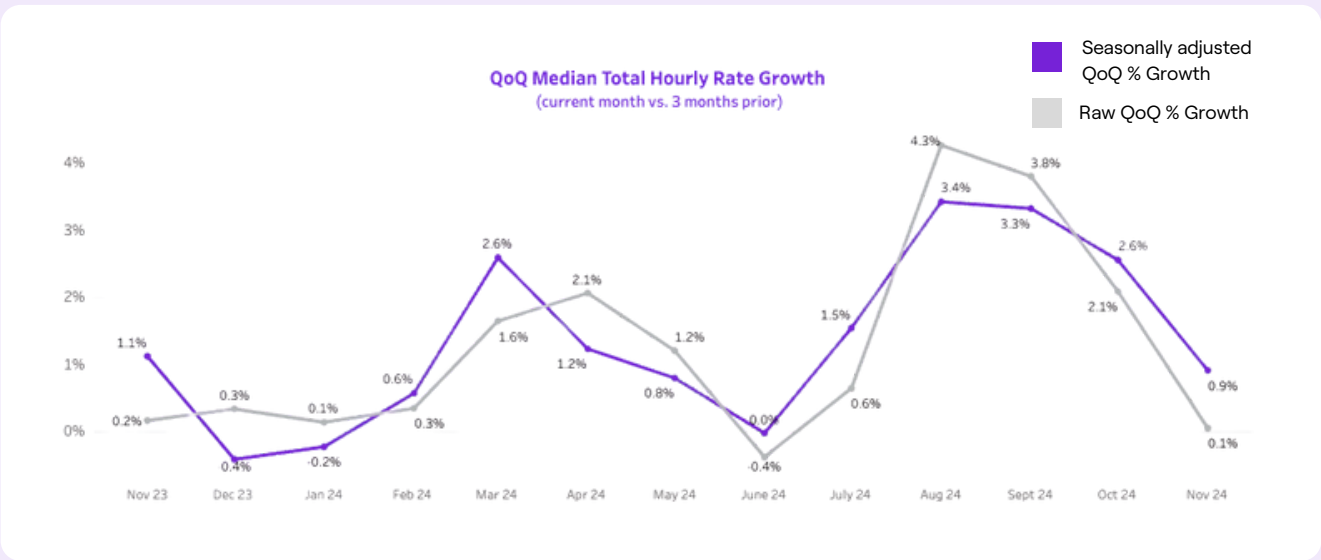
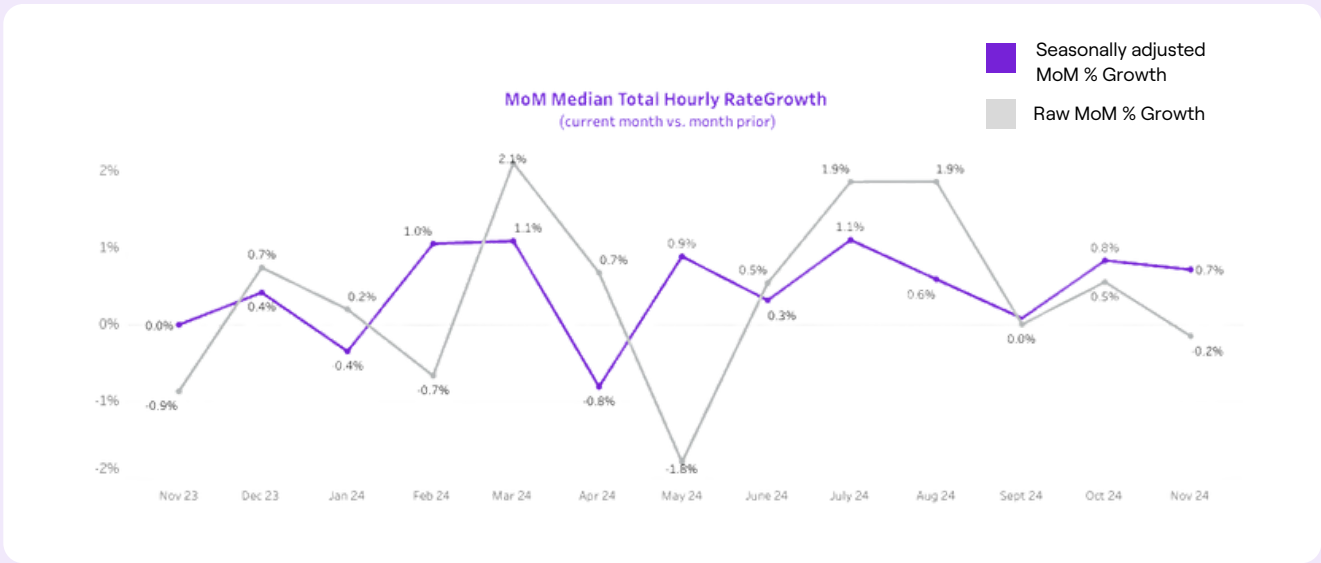
% Change	Construction & Trade Services	Healthcare & Community Services	Manufacturing, Transport & Logistics	Retail, Hospitality & Tourism	Science & Technology
Median Hourly Rate	\$50.50	\$46.80	\$40.00	\$34.30	\$59.7
Monthly	-2.3%	-2.0%	-0.1%	-1.1%	3.2%
Quarterly	-0.3%	0.7%	0.9%	-0.1%	6.7%
Annual	4.1%	3.9%	5.4%	4.1%	6.3%

Age Breakdown



% Change	14-17 year olds	18-24 year olds	25-34 year olds	35-44 year olds	45-54 year olds	55+ year olds
Median Hourly Rate	\$19.40	\$34.20	\$41.10	\$48.70	\$48.30	\$43.60
Monthly	-0.8%	-0.7%	-0.3%	-1.4%	-1.1%	0.0%
Quarterly	-0.5%	-0.1%	0.1%	-0.8%	-0.3%	0.8%
Annual	3.4%	4.1%	4.3%	4.3%	5.7%	6.2%

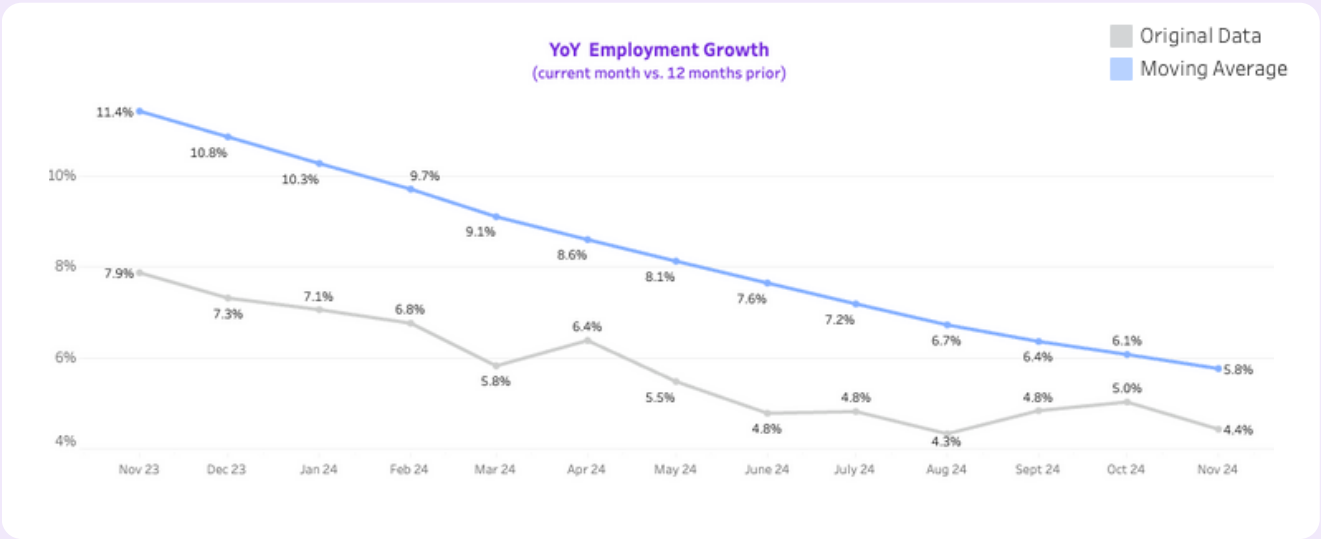
Raw vs. Seasonally Adjusted Median Hourly Wages



In November 2024, the seasonally adjusted MoM growth in median hourly wages was +0.7%, compared to a raw decline of -0.2%, indicating a significant upward adjustment due to seasonal factors. Similarly, the seasonally adjusted QoQ growth was +0.9%, notably higher than the raw growth of +0.1%.

These adjustments suggest that seasonal influences played a key role in November's wage trends, particularly for MoM growth, which would have appeared negative without seasonal adjustments. While the QoQ adjustments were less pronounced, they still highlight how seasonality mitigated weaker raw growth. Overall, these trends underline the importance of adjusting for seasonality to capture a more accurate picture of underlying wage dynamics in the labor market.

Average Employee Growth



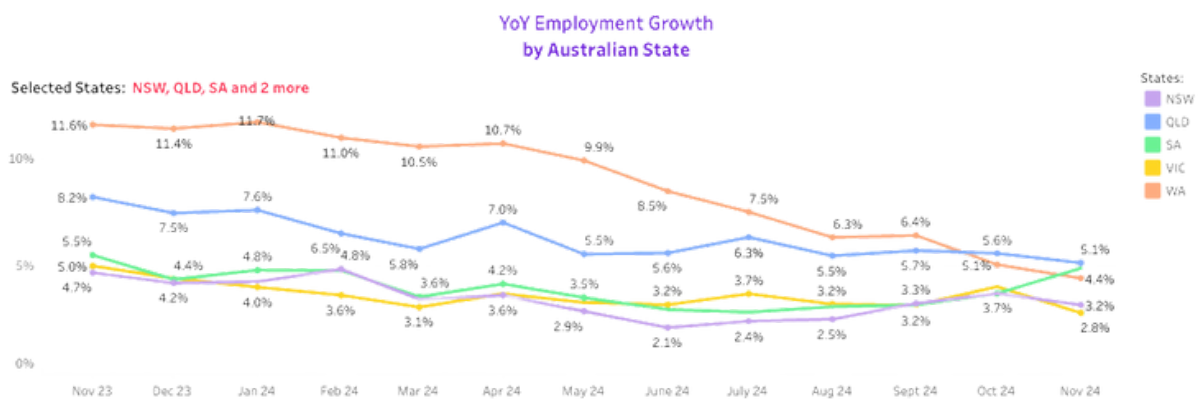
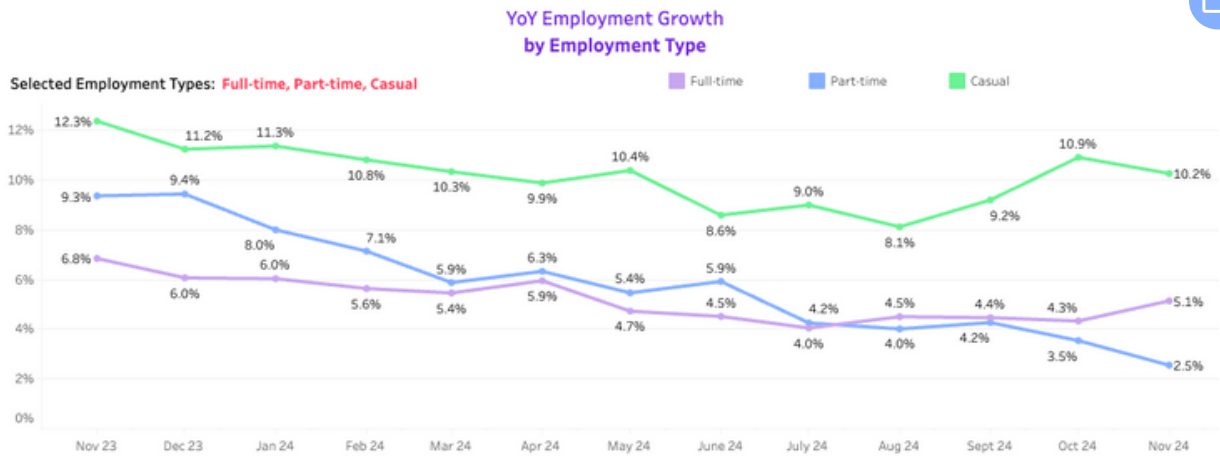
Monthly % Change	Quarterly % Change	Annual % Change
vs. Oct 2024	vs. Aug 2024	vs. Nov 2023
<div>+0.6%</div>	<div>+2.2%</div>	<div>+4.4%</div>

Why this metric matters

The average employment growth metric is a crucial economic indicator that measures the rate at which employment is increasing or decreasing across our dataset for the past 12 months. In Nov 2024, YoY employment growth stood at +4.4%, continuing its slowdown from earlier double-digit rates.

Despite this, MoM growth rebounded slightly to +0.6%, and QoQ growth reached +2.2%, hinting at a potential short-term recovery. While employment levels remain higher than last year, the pace of growth has notably slowed, signalling a cooling labor market.

Average Employee YoY % Growth (Breakdowns)



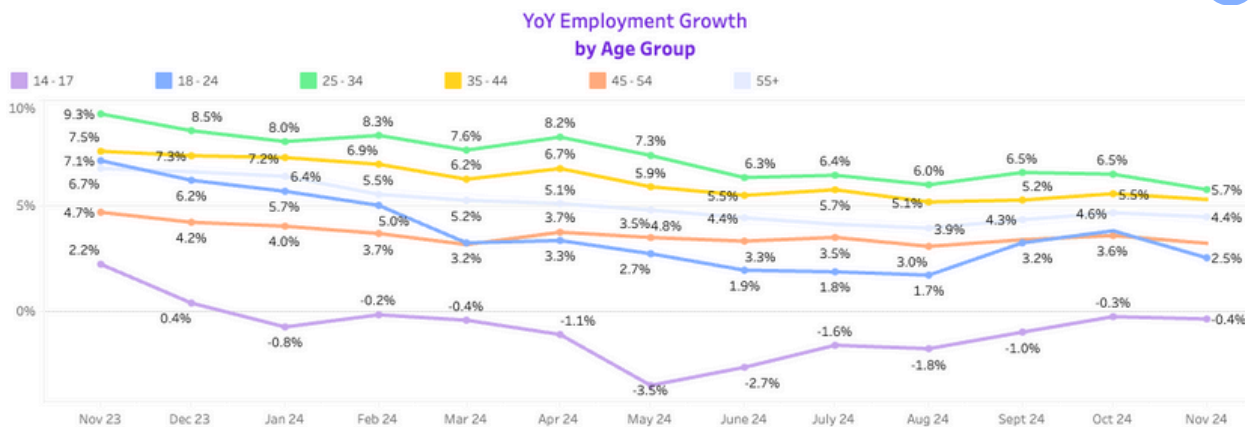
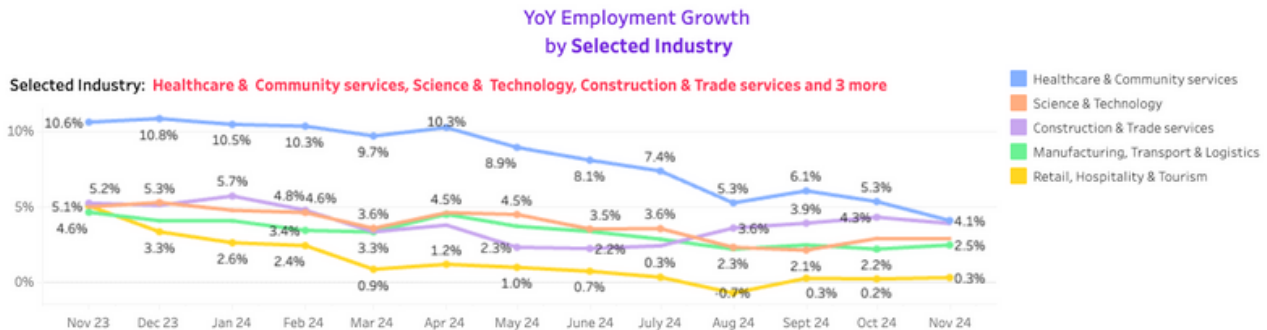
Employment Type Breakdown

YoY Employment Growth in Nov 2024 continues to reflect shifting workforce dynamics. Casual employment leads at +10.2% YoY growth, while part-time roles decline further to +2.5% YoY growth, potentially impacted by a squeeze between the rise of casual flexibility and the security of full-time work. Meanwhile, full-time roles show resilience with steady growth at +5.1% YoY. These trends may highlight a labor market adapting to shifting business needs and employee preferences for flexibility and stability.

State Breakdown

QLD and SA lead YoY Employment Growth rates in Nov 2024, recording +5.1% YoY. SA followed closely, rebounding to +4.9% YoY from a more subdued growth rate in Oct. Momentum continued to slow in WA, recording +4.4% YoY growth, as well as NSW at +3.2%. Coming from the middle of the pack last month, VIC dropped more than a full point to +2.8% YoY. These trends highlight a continued cooling of employment growth nationwide, with varying impacts by state.

Average Employee YoY % Growth (Breakdowns)



Industry Breakdown

YoY employment growth in Nov 2024 reveals mixed trends across industries. Healthcare & Community Services leads at +4.1%, reflecting a slowdown from October but maintaining resilience due to sustained demand for essential services. Construction & Trade Services follows at +3.9% YoY. Meanwhile, Retail, Hospitality & Tourism lags behind with modest growth of +0.3% as the holiday period approaches.

Age Breakdown

The 25–34 age group continued to lead YoY trends at +5.7%, followed by 35–44 at +5.3%. Workers aged 55+ recorded +4.4%, whilst the 45–55 age group grew by +3.2%, reflecting steady contributions from older demographics. Among younger workers, the 14–17 age group declined by -0.4%, a significant improvement from earlier in the year, while the 18–24 group dropped to +2.5%, possibly reflecting fewer opportunities for early-career workers.

Average Employee Growth (Breakdowns)

Employment Type



% Change	Full-Time	Part-Time	Casual
Monthly	0.5%	0.4%	1.6%
Quarterly	1.7%	1.1%	5.1%
Annual	5.1%	2.5%	10.2%

State Breakdown



% Change	ACT	NSW	NT	QLD	SA	TAS	VIC	WA
Monthly	1.5%	0.7%	-0.2%	0.4%	1.6%	0.0%	0.3%	0.3%
Quarterly	2.2%	2.2%	-2.5%	1.7%	2.5%	0.2%	1.3%	1.1%
Annual	2.5%	3.2%	4.4%	5.1%	4.9%	-5.3%	2.8%	4.4%

Industry Breakdown



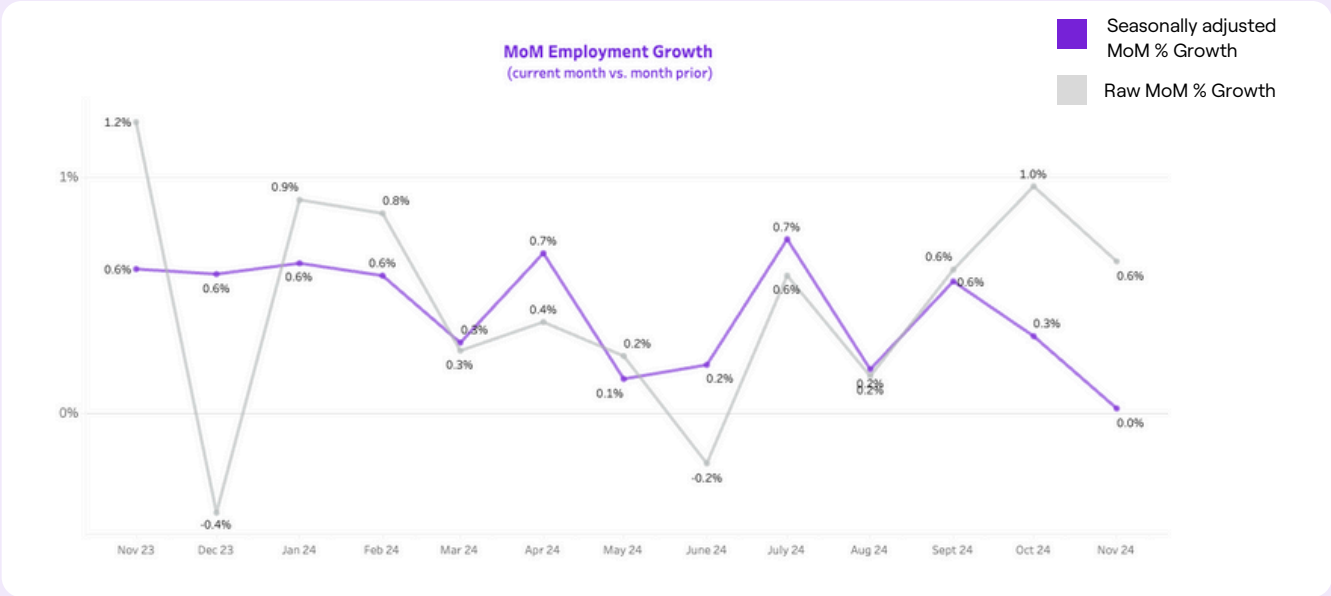
% Change	Construction & Trade Services	Healthcare & Community Services	Manufacturing, Transport & Logistics	Retail, Hospitality & Tourism	Science & Technology
Monthly	0.3%	-0.1%	0.7%	2.1%	0.5%
Quarterly	0.4%	2.0%	1.9%	4.8%	0.4%
Annual	3.9%	4.1%	2.5%	0.3%	2.9%

Age Breakdown



% Change	14-17 year olds	18-24 year olds	25-34 year olds	35-44 year olds	45-54 year olds	55+ year olds
Monthly	1.3%	1.0%	0.6%	0.3%	0.1%	0.4%
Quarterly	5.2%	3.1%	2.2%	1.3%	1.0%	1.3%
Annual	-0.4%	2.5%	5.7%	5.3%	3.2%	4.4%

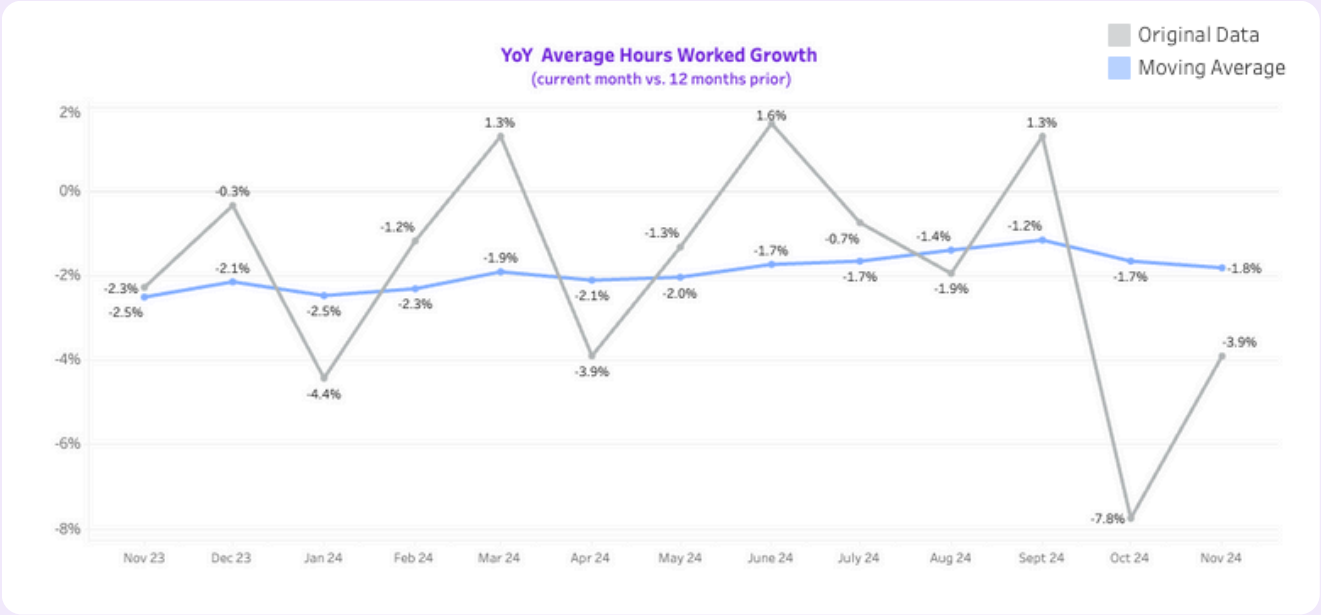
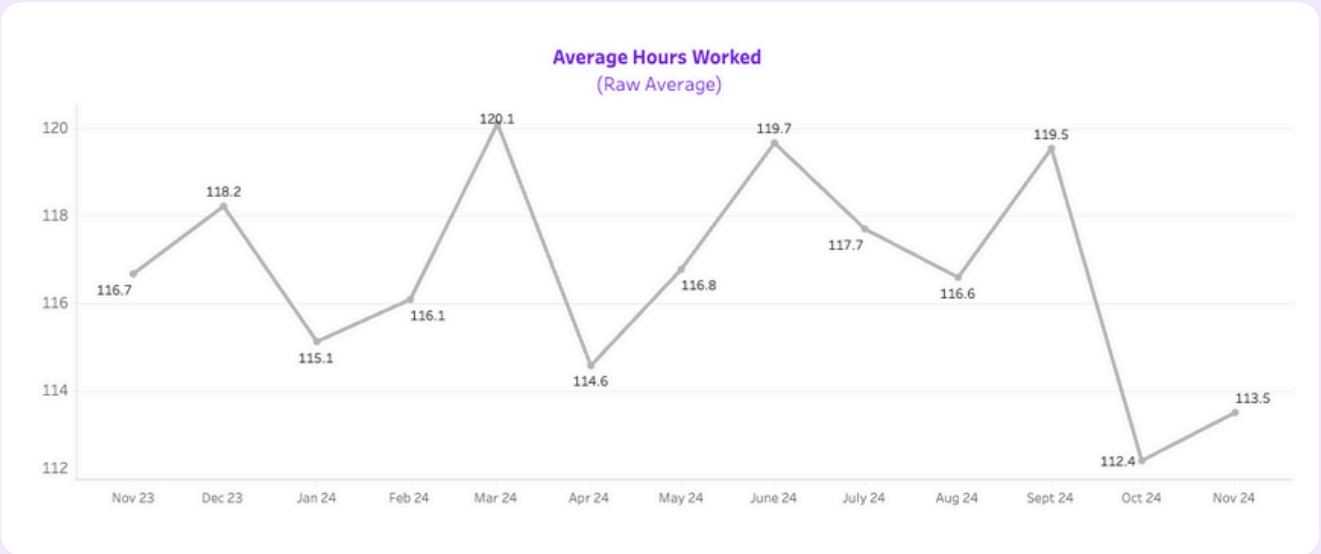
Raw vs. Seasonally Adjusted Average Employment Growth

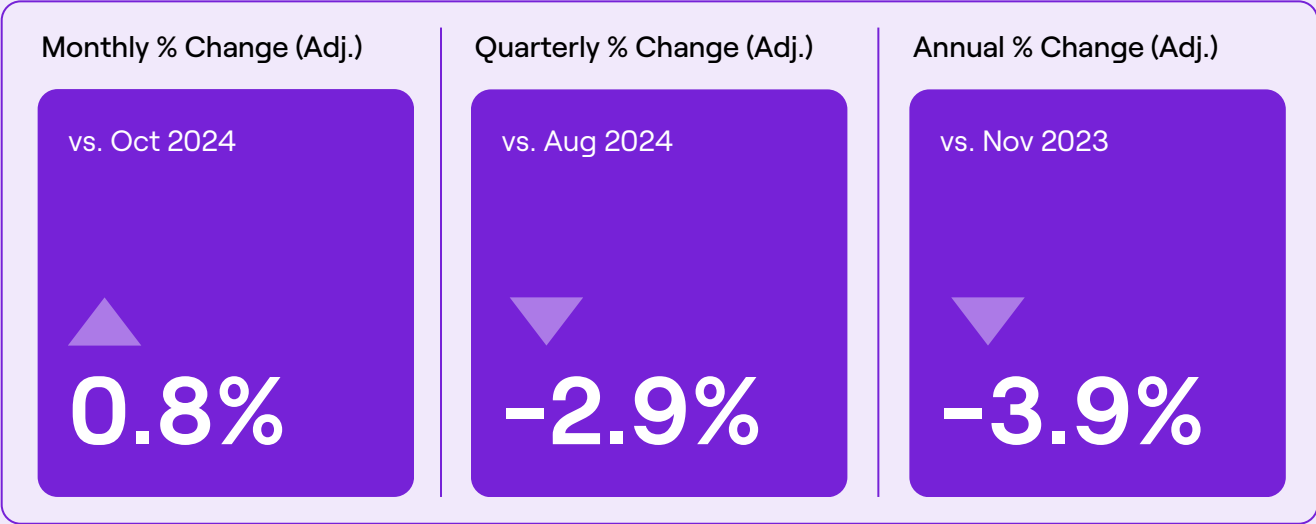


In November 2024, the seasonally adjusted MoM employment growth was flat (+0%), noticeably lower than the raw MoM growth of +0.6%. This indicates that much of the apparent month-on-month increase in employment can be attributed to seasonal factors rather than underlying economic changes. The seasonal adjustment removes recurring patterns, revealing flat employment growth and suggesting subdued momentum in the labor market for November.

On the other hand, the seasonally adjusted QoQ growth stood at +2.0%, closely aligned with the raw QoQ growth of +2.2%. This minimal difference suggests that seasonal factors had a limited impact on quarterly employment trends, indicating that the observed growth is more reflective of sustained labor market dynamics. The alignment between raw and adjusted figures over the quarter points to some stability in employment conditions over the longer term.

Average Hours Worked





Why this metric matters

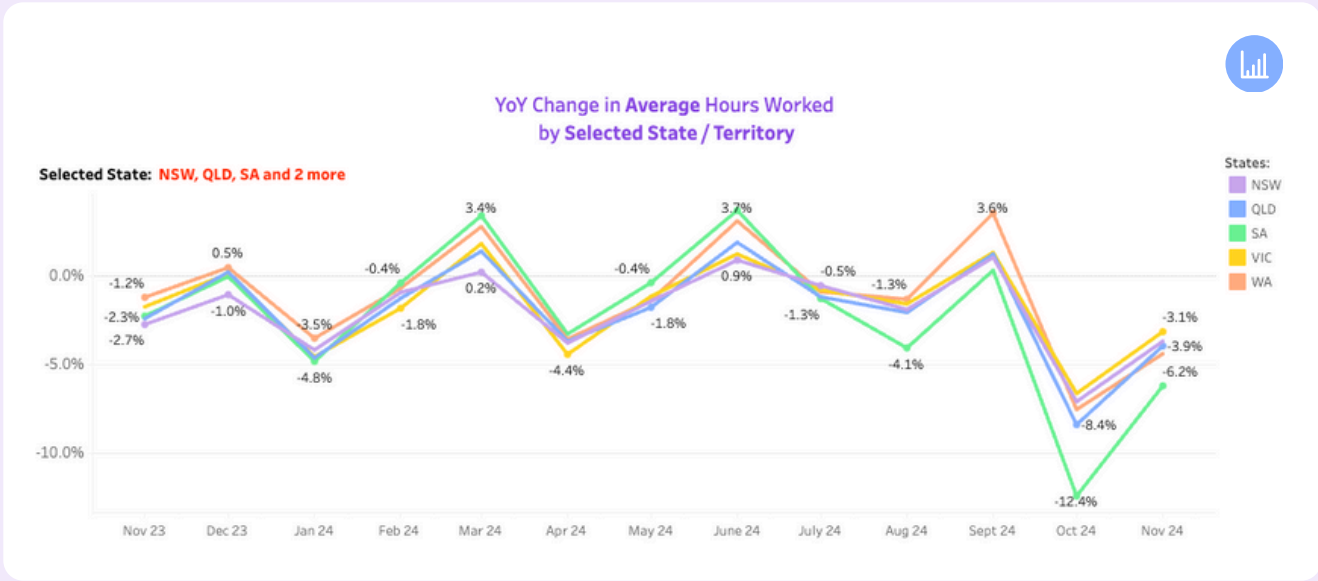
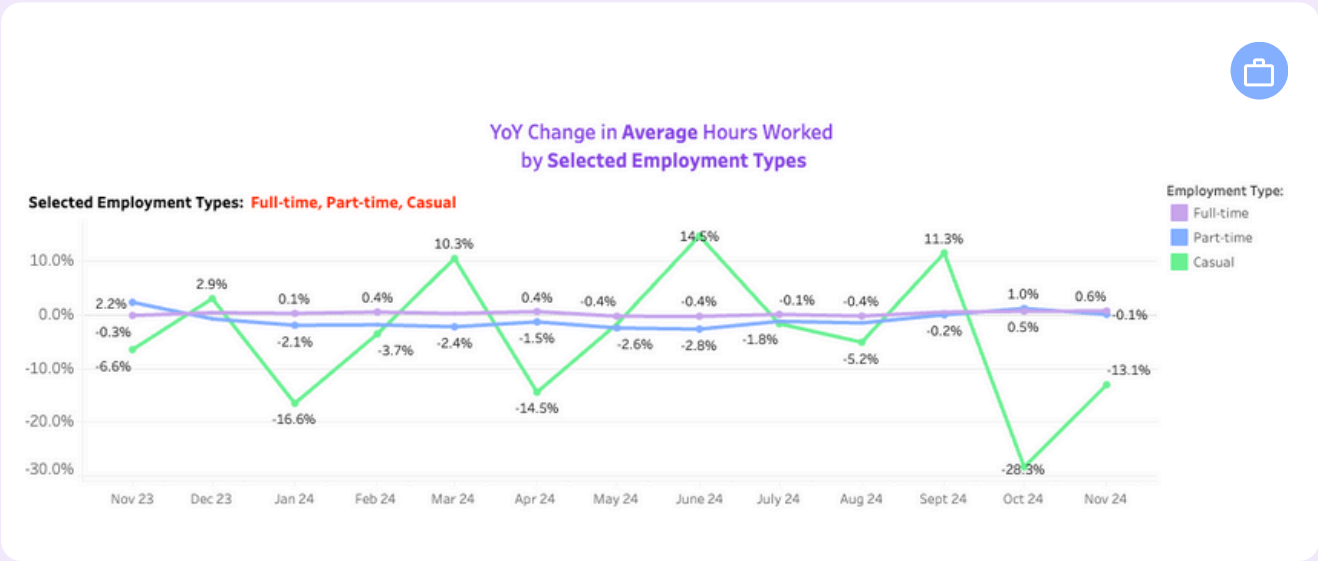
The average hours worked metric measures the raw average hours worked of both Employment Hero HR and Payroll users and the % adjusted change overtime for the preceding 12 months (please refer to methodology section for more details on the adjusted % change overtime). It is a key indicator of economic productivity and workforce utilisation.

Month-on-month, the adjusted percentage change in average hours worked increased by +0.8% compared to October 2024, reflecting a slight rebound in hours worked.

However, both the quarter-on-quarter and year-on-year change showed decline of -2.9%, and -3.9% respectively, signalling a common struggle experienced by many SMEs due to raising cost of labour.

QoQ and YoY decline continues to reflect a reduction in hours worked, primarily within casual employment, highlighting ongoing workforce adjustments.

Average Hours Worked YoY % Adjusted Growth (Breakdowns)



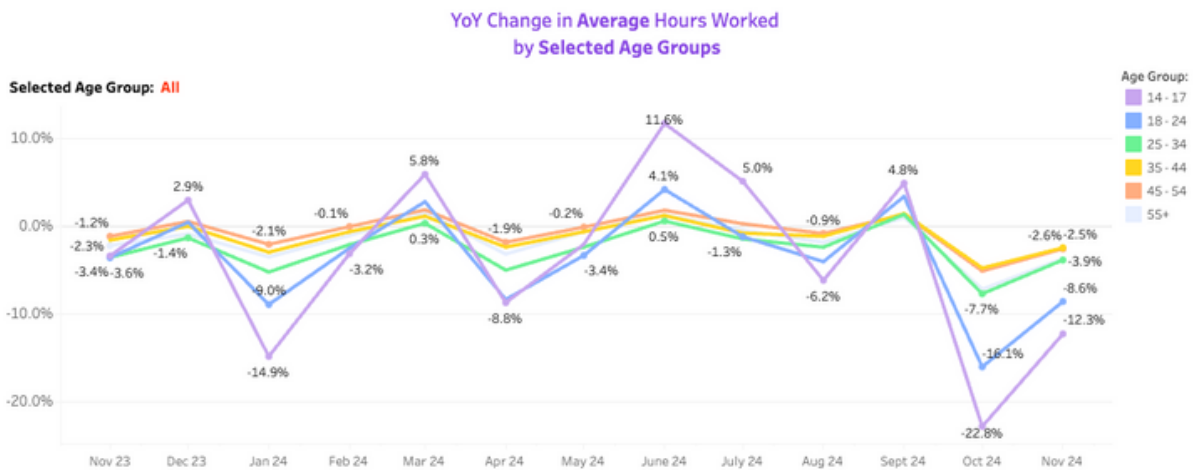
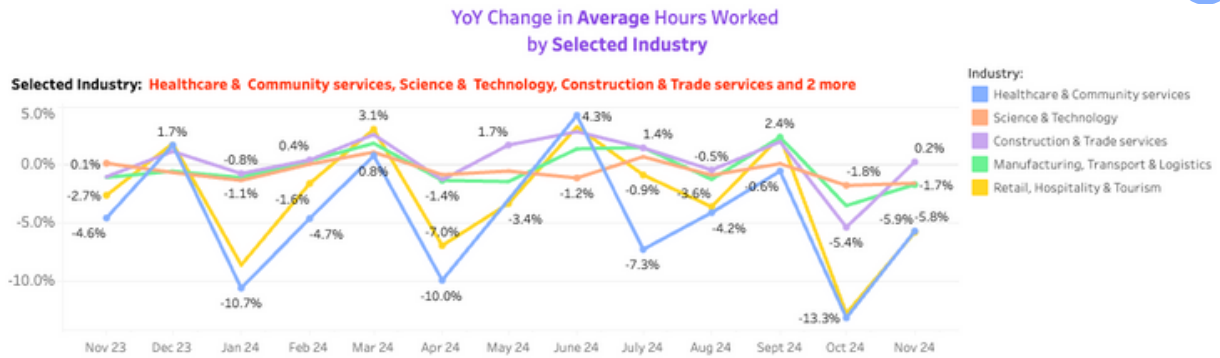
Employment Type Breakdown

Average hours worked remained flat YoY for full-time and part-time workers in Nov 2024, indicating stability for permanent roles and a recovery from earlier single-digit declines for part-timers. In contrast, casual hours continued to exhibit significant volatility. While they rebounded from October's extreme low of -28.3% YoY, casual hours still declined sharply by -13.1% YoY, falling short of the levels of recovery seen in prior trends.

State Breakdown

In Nov 2024, all states experienced notable YoY declines in average hours worked, though improvements were evident compared to Oct. SA recorded the steepest decline at -6.2%, showing significant recovery from its double-digit drop in Oct. VIC and QLD led the rebound, reducing their YoY declines to -3.1% and -3.9%, respectively, more than halving the rates seen last month. In contrast, NSW and WA showed smaller improvements, with YoY declines of -3.7% and -4.4%

Average Hours Worked YoY % Adjusted Growth (Breakdowns)



Industry Breakdown

Most industries saw YoY declines in average hours worked, though many recovered slightly from October 2024's sharper drops. Construction & Trade Services experienced a significant rebound to +0.2% YoY in Nov 2024 from -5.4% in Oct. Retail, Hospitality & Tourism and Healthcare & Community Services continue to show the steepest YoY decline at -5.9% and -5.8% respectively, reinforcing our hypothesis of SMEs struggling to hire amidst economic recession.

Age Breakdown

All age groups continued to experience YoY decline in average hours worked, with the youngest workers, aged 14-17 and 18-24, seeing the steepest drops due to their higher likelihood of holding casual roles. In Nov 2024, hours worked fell by -12.3% YoY for 14-17-year-olds and -8.6% for 18-24-year-olds. While these figures reflect some recovery compared to Oct, they continue to highlight challenges faced by early-career workers.

Average Hours Worked (Breakdowns)

Job Type



% Change (Adj.)	Full-Time	Part-Time	Casual
Average Hours Worked	157.5	106.6	66.8
Monthly	0.5%	0.2%	6.2%
Quarterly	0.9%	1.9%	-9.1%
Annual	0.6%	-0.1%	-13.1%

State Breakdown



% Change (Adj.)	ACT	NSW	NT	QLD	SA	TAS	VIC	WA
Average Hours Worked	104.3	116.4	111.8	115.4	107.0	107.3	111.8	111.7
Monthly	0.3%	0.3%	-0.8%	1.2%	2.9%	-1.2%	0.4%	1.1%
Quarterly	-5.3%	-3.2%	-3.3%	-2.5%	-2.8%	-1.4%	-3.2%	-3.1%
Annual	-5.5%	-3.7%	-4.0%	-3.9%	-6.2%	-5.9%	-3.1%	-4.4%

Industry Breakdown



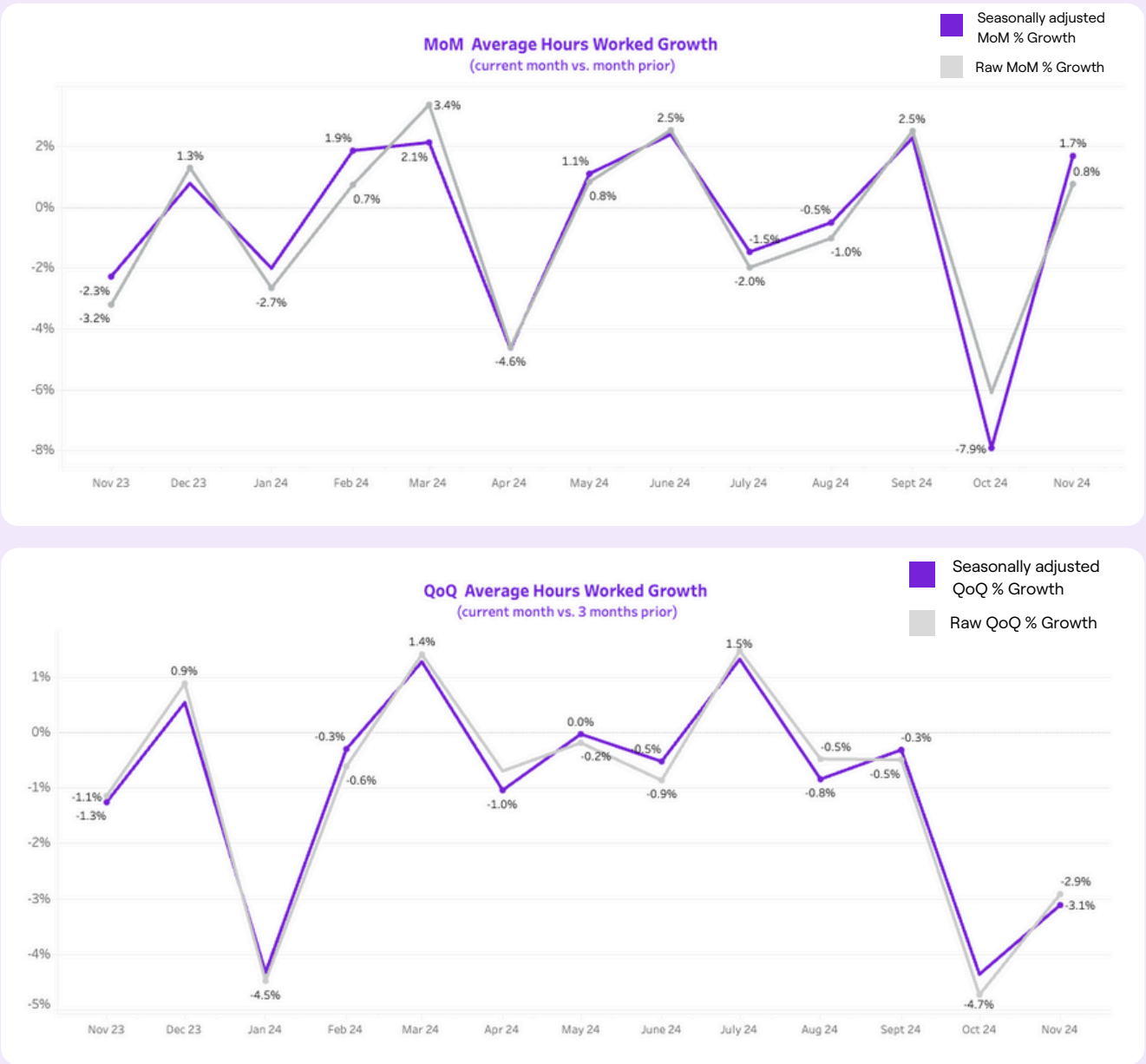
% Change (Adj.)	Construction & Trade Services	Healthcare & Community Services	Manufacturing, Transport & Logistics	Retail, Hospitality & Tourism	Science & Technology
Average Hours Worked	142.8	88.8	140.4	95.8	141.5
Monthly	2.9%	1.9%	0.5%	1.2%	0.7%
Quarterly	0.5%	-4.8%	-1.1%	-4.6%	1.6%
Annual	0.2%	-5.8%	-1.7%	-5.9%	-1.6%

Age Group Breakdown



% Change (Adj.)	14-17 year olds	18-24 year olds	25-34 year olds	35-44 year olds	45-54 year olds	55+ year olds
Average Hours Worked	38.5	87.4	118.5	125.5	125.4	112.6
Monthly	-2.5%	2.4%	0.6%	0.5%	0.6%	0.9%
Quarterly	-2.8%	-5.1%	-2.7%	-1.8%	-1.8%	-2.8%
Annual	-12.3%	-8.6%	-3.9%	-2.5%	-2.6%	-3.7%

Raw vs. Seasonally Adjusted Average Hours Worked



The seasonally adjusted MoM and QoQ growth rates for average hours worked in November 2024 highlight the influence of seasonality. Adjusted MoM growth rebounded to +1.7%, more than doubling the raw rate of +0.8%, reflecting short-term impacts of seasonal factors. In contrast, adjusted QoQ growth remained in decline at -3.1%, only slightly deeper than the raw figure of -2.9%, indicating less seasonal impact on longer-term trends.

Seasonality appears to have bolstered MoM growth, possibly driven by holiday preparation, while the ongoing QoQ decline points to persistent challenges, such as reduced labor demand and shifts toward flexible work arrangements. This may underscore short-term recovery amid continued structural adjustments in the labor market.

Methodology



Overview

The Monthly SmartMatch Employment Report is powered by data directly drawn from the Employment Hero platform, reflecting the labour market activity of Australia's resident population aged 14 years and over. The report is designed to provide estimates of employment across Australia, focusing on the following core metrics:

- Employment Growth: Measured as the change in the average number of active employees per billed business
- Average Hours Worked
- Median Hourly Rate

Each of these metrics is further broken down by:

- State: Based on the employee's designated work address
- Industry: Generalised from the organisation's profile
- Employment Type: Based on tax file declarations
- Age Group



Scope and coverage

The scope of the report is verified, active employees recorded on the Employment Hero platform who are aged 14 years and over and are eligible as Australian residents for tax purposes. Since employees are uniquely identified by employee IDs on the platform, the likelihood of a person being counted at two separate dwellings is considered insignificant. To ensure data reliability, the calculations are restricted to billed businesses only, which covers over 1.1 million active employees in the reporting month.

For an individual to be considered in the calculation for the hours worked and hourly rate, at least one genuine payslip ended within the reporting month must be available.

Furthermore, due to the potential presence of extreme outliers and errors introduced by human factors, additional rules have been applied in calculating the average hours worked and median hourly rate. Specifically, exclusions have been applied to employees:

- Whose hourly rate is below \$1 or over \$2,000
- Whose total hours worked within the month is less than 1 hour or exceeds 744 hours (31 days x 24 hours)

The sample size for the two metrics are therefore reduced to approximately 400,000 for the reporting month.

Methodology



Metrics Computation

Cohort Growth Rate

To minimise the impact of business strategy on the calculation of estimates, a cohort correction has been applied to the sample to ensure accurate growth rate generation. Specifically, for month-on-month growth, only organisations that were billed in both the reporting month and the month prior are included in the computation.

A similar approach is applied to quarter-on-quarter growth rates (organisations that were billed in both the reporting month and three months prior) and year-on-year growth rates (organisations that were billed in both the reporting month and twelve months prior).

Methodology



Normalisation of payslips

The methodology for calculating hours worked and hourly rates is based directly on Employment Hero's payroll system. First, an aggregation is made at the employee level for all payslips finalised within the reporting month. The average length of the pay period is calculated and combined with information from tax file declarations to determine the employee's pay frequency. To account for variations in the number of pay runs across different months, a normalisation process is applied to the hours worked and base pay of all full-time and part-time employees, based on their pay frequency, using the following formula:

Normalised base compensation/hours = (Aggregated compensation/hours from all payslips this month) ÷ (number of unique payruns the employee was involved in during the reporting month) x N

Where N is determined by the pay frequency, namely

- Weekly frequency : N=4
- Biweekly frequency : N=2
- Monthly frequency : N=1

Additional considerations:

- No normalisation is applied to casual workers or labour hires.
- Additional remunerations, such as one-off bonuses or commissions, are added on top of the normalised base compensation to calculate the total monthly compensation.
- Compensated, ordinary leaves—including annual leave, sick days, or rostered days off—are counted as valid hours worked.

With above assumptions, the calculations of each metrics are as below:

1) Employment Growth

% of Cohort growth in Average Number of Employees per Business

2) Hours Worked

Normalised Hours Worked

3) Hourly Rate

Total monthly compensation ÷ Normalised Hours Worked

Methodology



Seasonality Adjustment

Data often fluctuates due to regular, seasonal patterns (for example, retail sales usually go up during Christmas). To account for these patterns, we apply a seasonality adjustment. This helps us understand the underlying trends without the seasonal spikes or dips.

We chose the X13-ARIMA method for this adjustment because it is a robust and widely accepted technique. It allows us to separate regular seasonal changes from actual, meaningful trends. However, it's important to note that X13-ARIMA was primarily designed to handle monthly or quarterly seasonal adjustments, not Year-over-Year (YoY) seasonality.

Adjusting for these patterns provides more accurate insights that help inform decision-making.