EMPLOYMENT HERO

JOBS REPORT

MARCH 2025

employment hero

AU

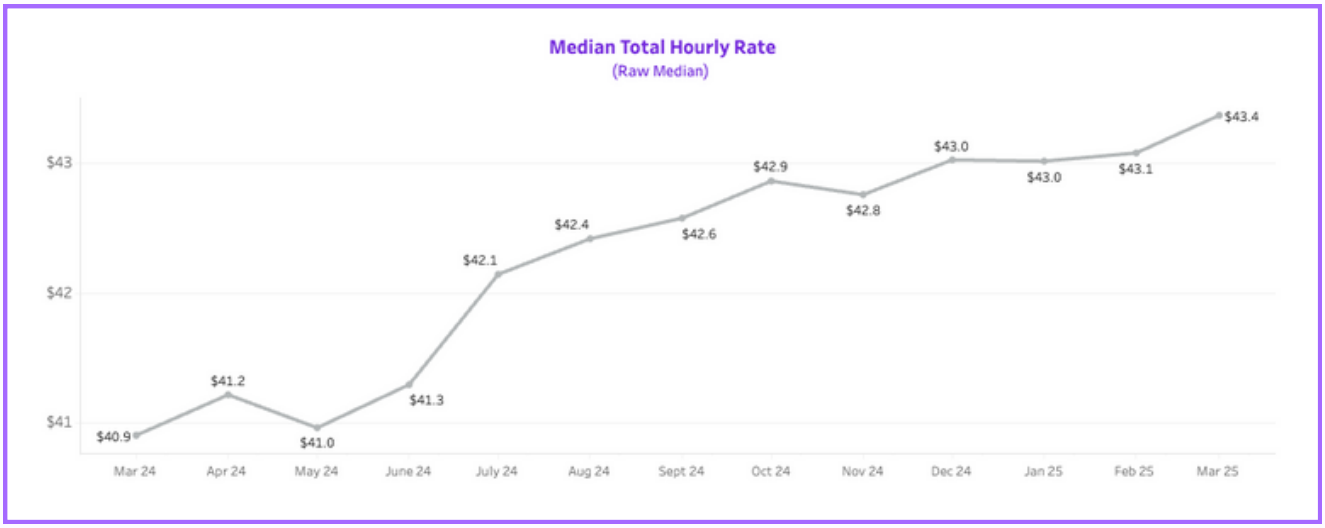
03 Median Hourly Wages

09 Average Employee Growth

14 Average Hours Worked

20 Methodology

Median Annual Total Salary



MONTHLY CHANGE

vs. Feb 2025

+0.6%

QUARTERLY CHANGE

vs. Dec 2024

+0.7%

ANNUAL CHANGE

vs. Mar 2024

+4.7%

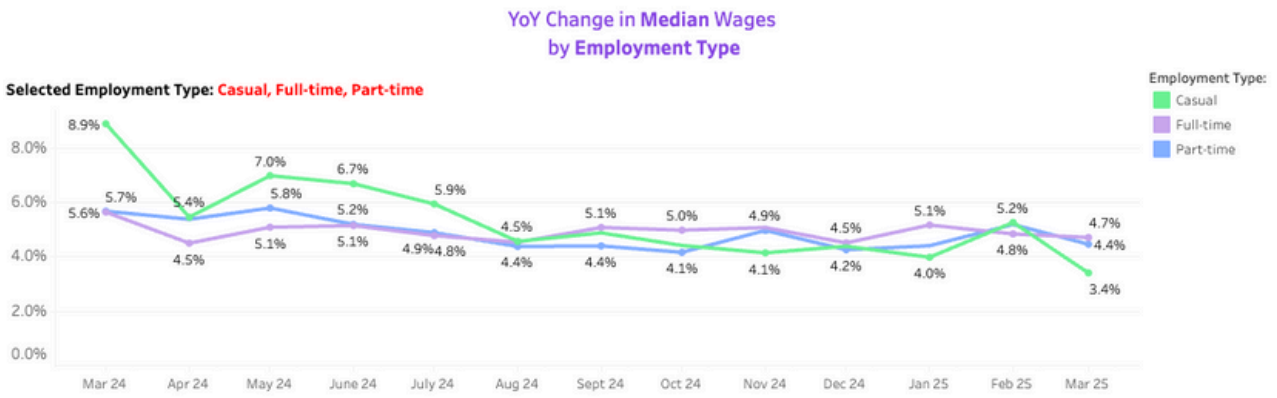
Why this metric matters

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.

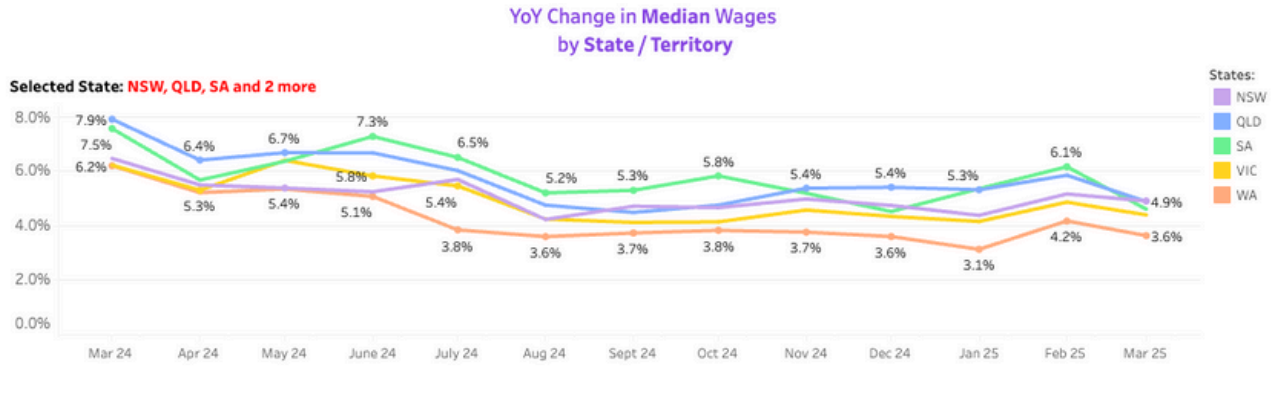
The median hourly rate saw a 4.7% year-on-year increase, reaching $43.4 in March 2025. While this reflects continued growth, the pace has slowed in recent months. Quarter-on-quarter growth was a modest 0.7%, and month-on-month growth registered just 0.6%. This pattern of decelerating wage growth mirrors the recent downward trend in inflation.

Median Annual Total Salary (Breakdowns)

Employment Type Breakdown



State Breakdown



Employment Type Breakdown

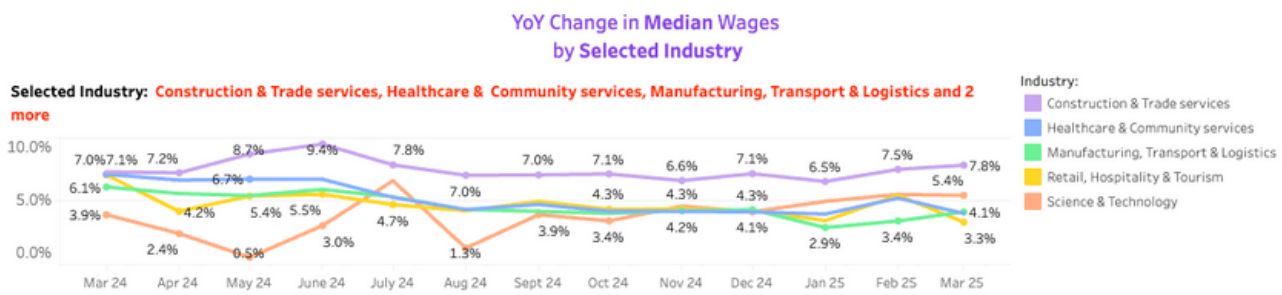
As of March 2025, wages growth saw a general trend of cooling down, reversing the acceleration in momentum observed last month, especially for contingent workers. The rate of growth for casual employees is now at a 12-month low of +3.4% year-on-year (YoY), while part-time employees saw a more modest decrease, now at 4.4% compared to March 2024. On the other hand, YoY wages growth for full-time employees remained relatively stable at 4.7% YoY.

State Breakdown

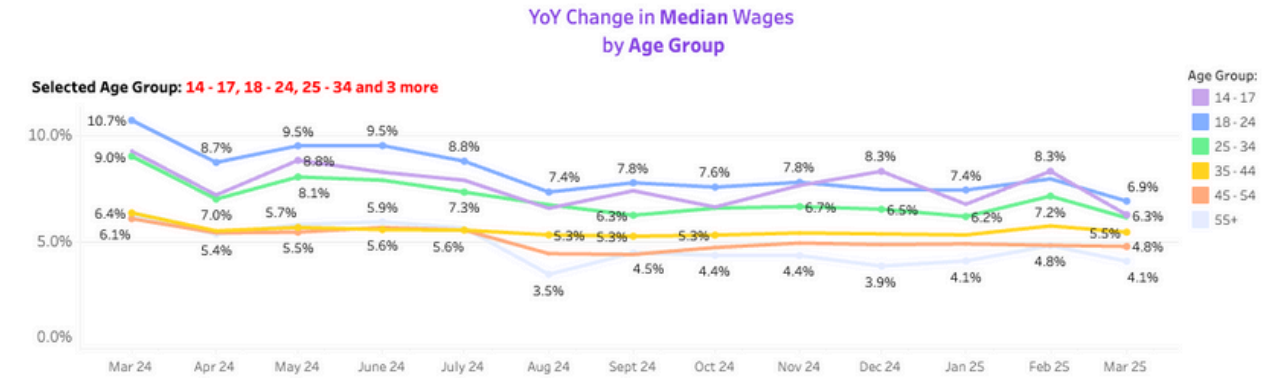
In March 2025, wage growth contracted in every state. South Australia experienced the most significant deceleration, falling from its leading position to 4.7% growth year-on-year (YoY). Queensland also saw a notable cooldown, now joining New South Wales with a 4.9% YoY increase. Western Australia continued to trail behind with a modest 3.6% growth compared to March 2024.

Median Hourly Wages (Breakdowns)

Industry Breakdown



Age Breakdown



Industry Breakdown

In March 2025, year-over-year wage growth varied significantly across industries. Construction & Trade Services reinforced its position as the leading sector with an acceleration to a 7.8% increase. Science & Technology followed with a stable 5.4% growth. Retail, Hospitality & Tourism, as a casual-heavy industry, saw the most substantial decrease, falling to the bottom of the chart with a mere 3.3% increase compared to March 2024. A similar trend can also be observed in the Healthcare & Community Service sector, potentially highlighting a struggle for contingent workers.

Age Breakdown

March 2025 data indicates a trend of declining wage growth among young workers. While the younger age groups (14-17 & 18-24) continued to demonstrate the most substantial year-over-year growth at 6.3% and 6.9% respectively, they also experienced the largest deceleration in momentum, likely due to the large proportion of casual positions they hold. Wage growth for the 35-44 age group remained stable across the last 6 months at 5.5%, and similarly for the 45-54 group at 4.8%, showcasing the stability provided by full-time roles.

Median Hourly Wages (Breakdowns)

Employment Type

% Change	Full-Time	Part-Time	Casual
Median Hourly Rate	$48.90	$39.00	$37.90
Monthly	0.6%	0.3%	0.5%
Quarterly	-0.1%	0.4%	0.6%
Annual	4.7%	4.4%	3.4%

Regions Breakdown

% Change	ACT	NSW	NT	QLD	SA	TAS	VIC	WA
Median Hourly Rate	$46.20	$44.40	$43.60	$43.10	$42.20	$39.80	$43.00	$43.20
Monthly	-0.3%	0.8%	-0.2%	-0.2%	0.7%	2.5%	1.1%	0.8%
Quarterly	-0.1%	0.9%	-0.1%	-0.1%	2.1%	2.3%	0.8%	0.7%
Annual	4.3%	4.9%	5.1%	4.9%	4.6%	3.4%	4.4%	3.6%

Median Hourly Wages (Breakdowns)

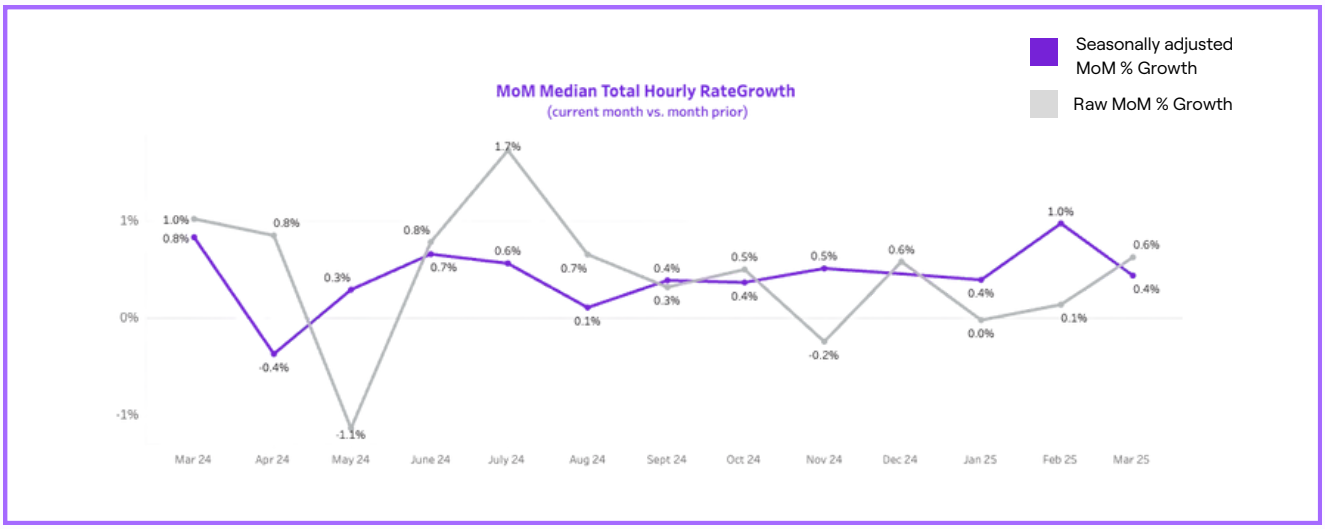
Industry Breakdown

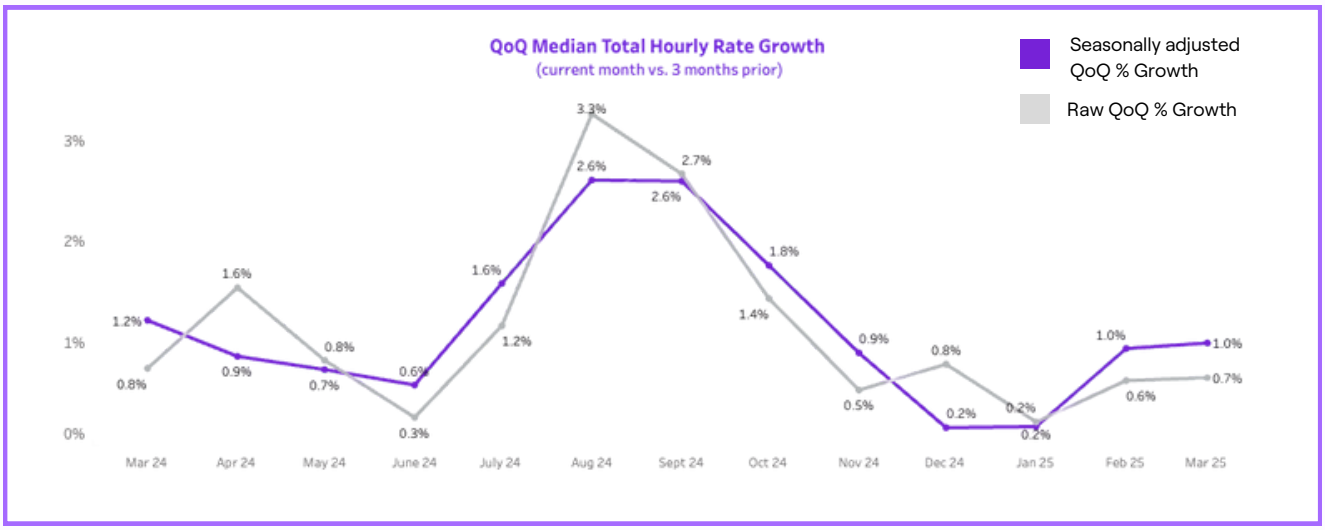
% Change	Construction & Trade Services	Healthcare & Community Services	Manufacturing, Transport & Logistics	Retail, Hospitality & Tourism	Science & Technology
Median Hourly Rate	$50.60	$46.50	$41.50	$35.00	$58.80
Monthly	0.7%	-0.2%	1.7%	-0.1%	-0.3%
Quarterly	1.1%	0.0%	-0.2%	-0.1%	-0.1%
Annual	7.8%	4.0%	4.1%	3.3%	5.4%

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	$18.20	$33.40	$41.60	$50.00	$50.60	$45.90
Monthly	0.7%	0.8%	0.8%	0.5%	0.0%	0.6%
Quarterly	2.8%	1.2%	1.2%	0.5%	-0.2%	-0.1%
Annual	6.3%	6.9%	6.1%	5.5%	4.8%	4.1%

Raw vs. Seasonally Adjusted Median Hourly Wages

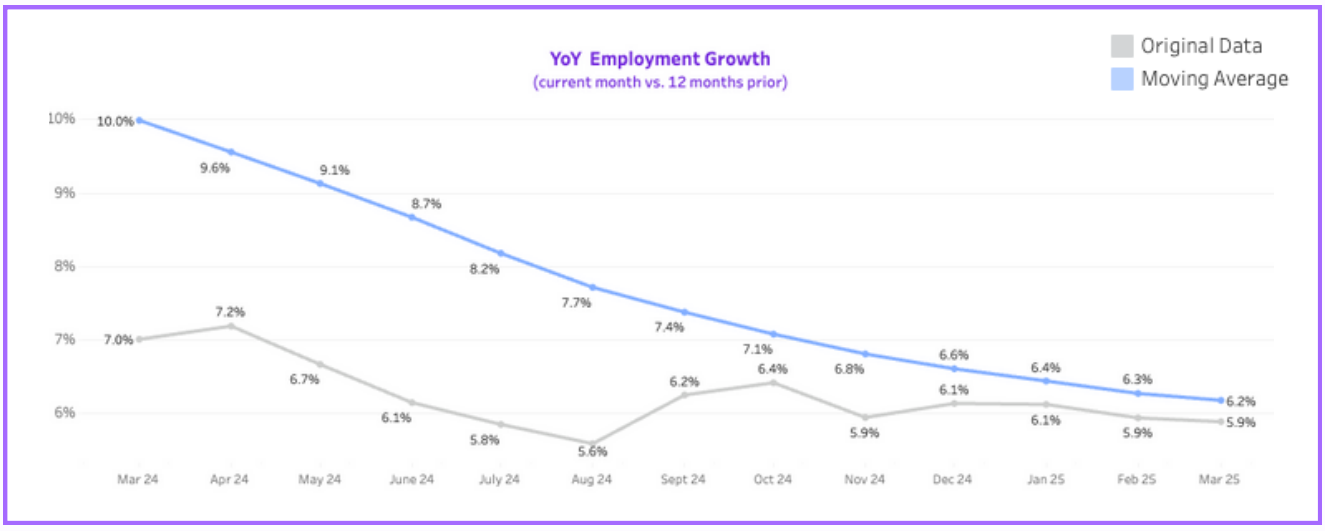




In March 2025, the seasonally adjusted MoM growth in median hourly wages was +0.4%, compared to a raw growth of 0.6%. While the adjustment seems minor, it completely reversed the originally observed upward trend. On the other hand, the seasonally adjusted QoQ growth was +1.0%, notably higher than the raw growth of +0.7%.

These adjustments suggest that seasonal influences played a key role in March's wage trends, particularly for MoM growth. 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 labour market.

Average Employee Growth



MONTHLY CHANGE

vs. Feb 2025

+0.3%

QUARTERLY CHANGE

vs. Dec 2024

+1.5%

ANNUAL CHANGE

vs. Mar 2024

+5.9%

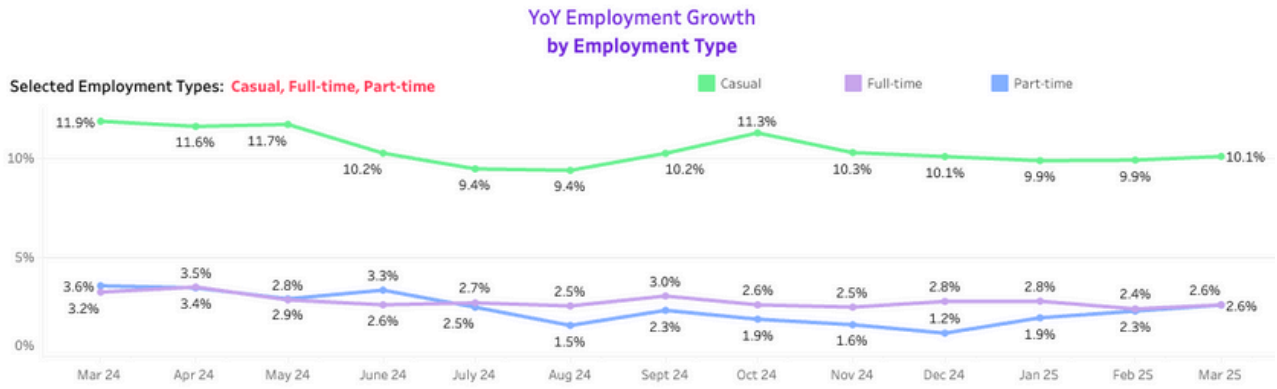
Why this metric matters

The average employment growth metric is a crucial economic indicator that measures the rate at which employment has been increasing or decreasing across our dataset over the past 12 months. In March 2025, year-on-year (YoY) employment growth stood at a steady +5.9%, consistent with observations from the last 6 months.

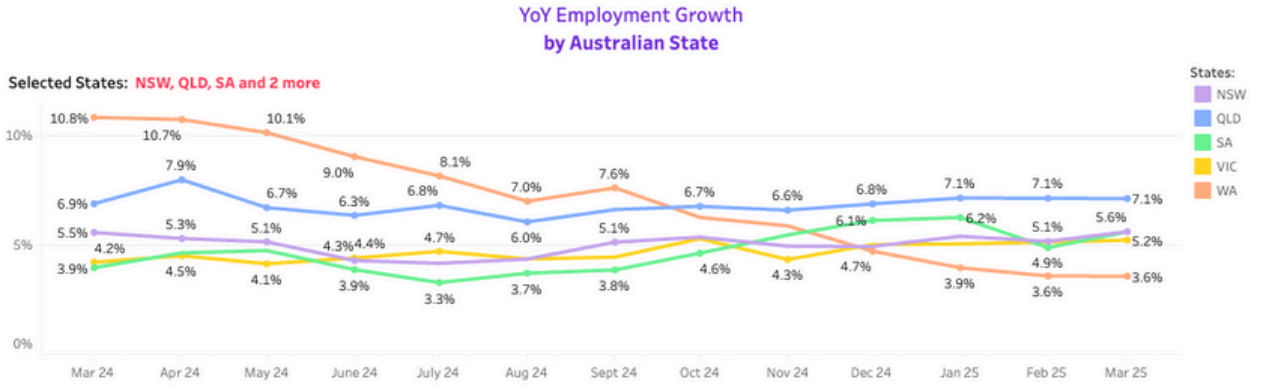
In terms of short-term trends, month-over-month growth showed a modest increase of 0.3%, while quarter-over-quarter growth increased to 1.5%, pointing towards possible near-term stagnation within the labour market. While overall employment numbers continue to surpass those of the previous year, the rate of expansion has markedly slowed, signalling that the labour market is entering a stable period.

Average Employee YoY % Growth (Breakdowns)

Employment Type Breakdown



Regions Breakdown



Employment Type Breakdown

YoY Employment Growth in March 2025 continues to reflect shifting workforce dynamics. Casual employment leads at +10.1% YoY growth, while part-time roles remained at a mere +2.6% YoY growth, potentially impacted by a squeeze between the rise of casual flexibility and the security of full-time work. Full-time roles show also saw a gradual decreasing growth at 2.6% YoY. These trends may highlight a labour market adapting to shifting business needs and employee preferences for flexibility over stability.

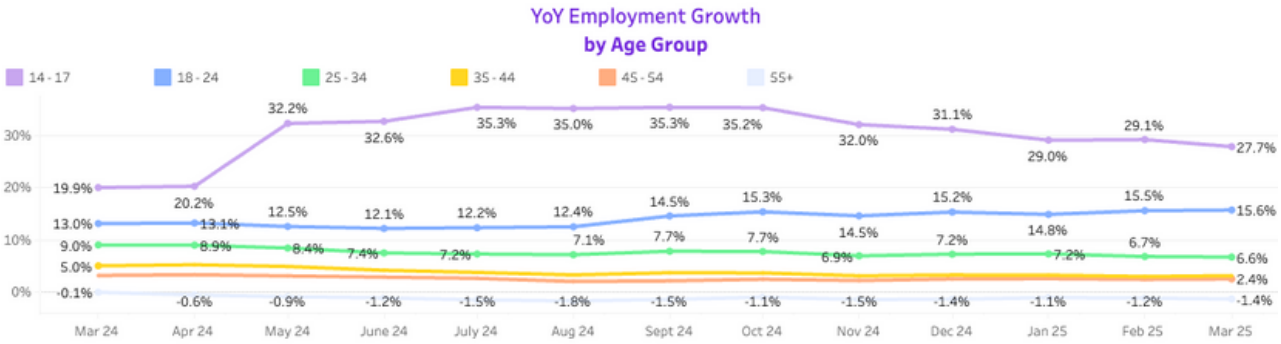
Region Breakdown

In March 2025, Queensland continued to demonstrate the strongest year-over-year employment growth, achieving a 7.1% increase. New South Wales and South Australia maintained steady growth at 5.6% YoY, with Victoria following behind at 5.2%. Conversely, Western Australia's growth momentum continued to decline, reaching a historical low of 3.6%. These state-specific trends collectively point to a broader cooling of employment growth nationally, albeit with differing regional effects.

Average Employee YoY % Growth (Breakdowns)

Industry Breakdown

Age Breakdown



Industry Breakdown

In March 2025, year-over-year employment growth maintained a degree of stability across various industries. Construction & Trade Services emerged as the leader with a 6.2% increase, exhibiting consistent and robust acceleration in recent months. The Science & Technology sector continued its downward trend, now aligning with Healthcare & Community Services at 4.8% year-over-year growth. Conversely, Retail, Hospitality & Tourism experienced the slowest growth at 1.6%, likely due to subdued domestic demand driven by the persistent increase in living costs.

Age Breakdown

In March 2025, demand for younger worker groups continued to show significant growth. The 14–17 age group increased by 27.7% compared to March 2024, as Gen Z continues to enter the labour market. A similar trend was observed in the 18–24 age group with a substantial 15.6% YoY increase. The 25–34 age group also saw a decent 6.5% year-over-year growth, while older groups experienced minimal or no growth. This market shift towards younger workers may be attributed to the recent technology revolution, where younger generations tend to excel.

Average Employee Growth (Breakdowns)

Employment Type

% Change	Full-Time	Part-Time	Casual
Monthly	0.4%	0.3%	0.4%
Quarterly	1.4%	0.7%	2.1%
Annual	2.6%	2.6%	10.1%

State Breakdown

% Change	ACT	NSW	NT	QLD	SA	TAS	VIC	WA
Monthly	-0.9%	0.3%	-1.1%	0.2%	1.0%	-1.2%	0.2%	0.6%
Quarterly	-0.9%	1.1%	-3.3%	1.6%	1.7%	2.9%	1.3%	1.9%
Annual	6.2%	5.6%	5.0%	7.1%	5.6%	-0.1%	5.2%	3.6%

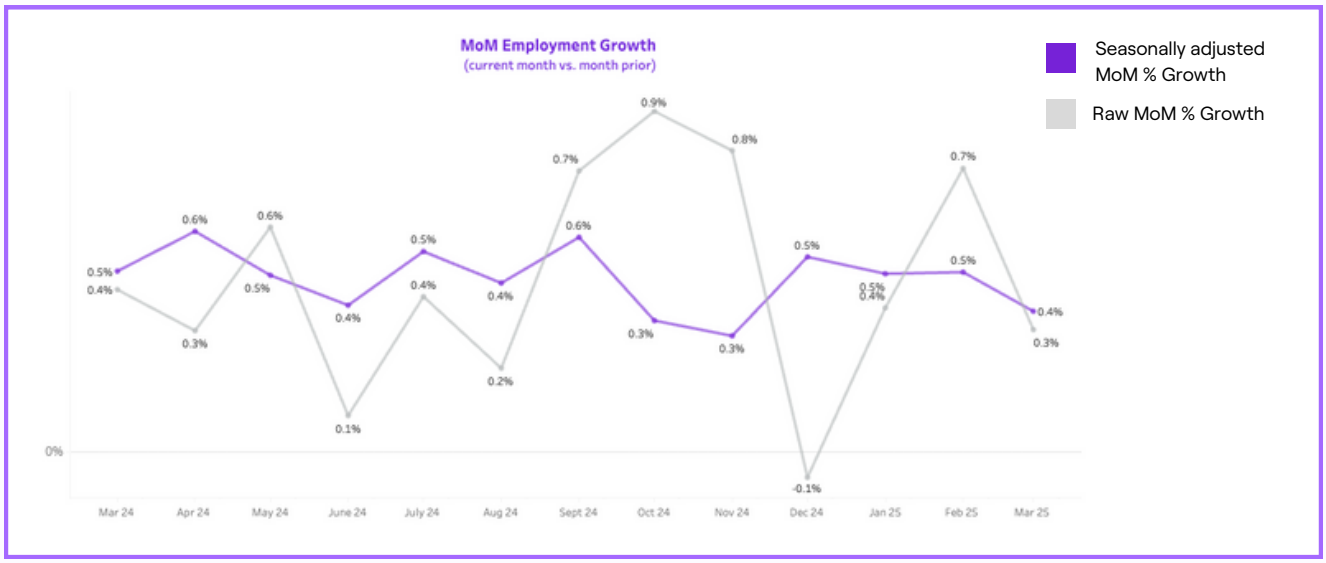
Industry Breakdown

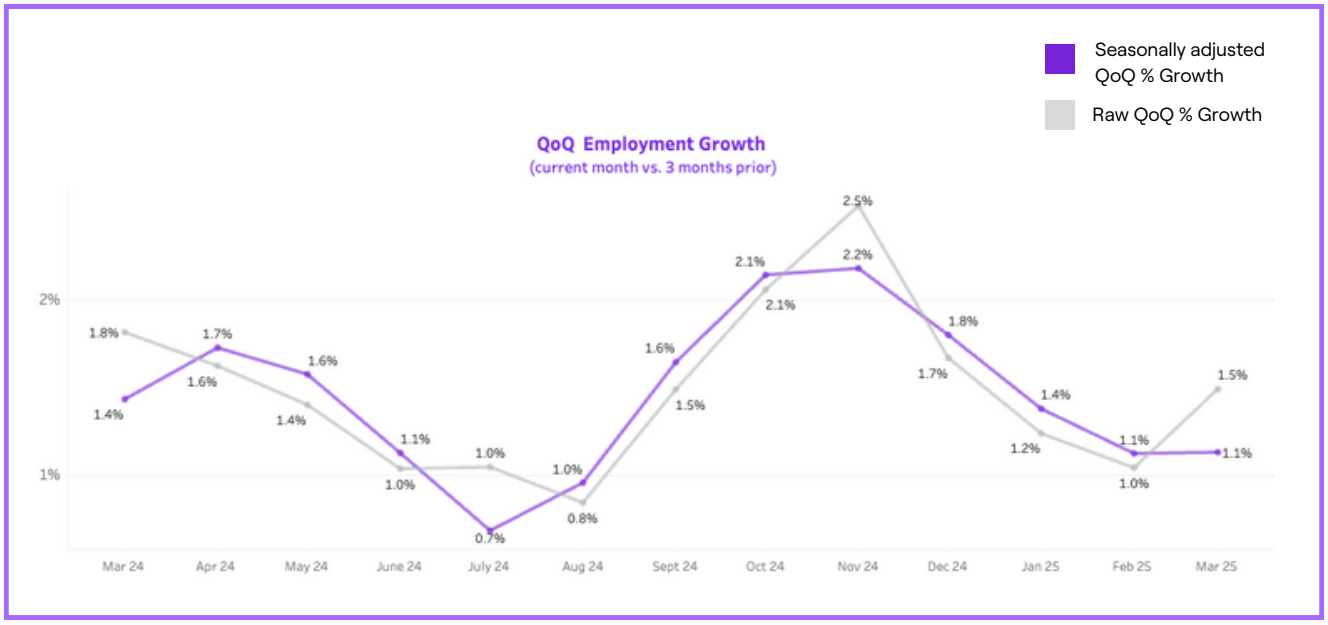
% Change	Construction & Trade Services	Healthcare & Community Services	Manufacturing, Transport & Logistics	Retail, Hospitality & Tourism	Science & Technology
Monthly	1.2%	0.1%	0.0%	-0.3%	0.1%
Quarterly	3.3%	1.1%	0.3%	-1.1%	1.1%
Annual	6.2%	4.4%	2.8%	1.6%	4.5%

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	1.1%	0.7%	0.4%	0.3%	0.2%	-0.2%
Quarterly	2.2%	3.3%	1.9%	0.8%	0.8%	-0.5%
Annual	27.7%	15.6%	6.6%	3.1%	2.4%	-1.4%

Raw vs. Seasonally Adjusted Average Employment Growth

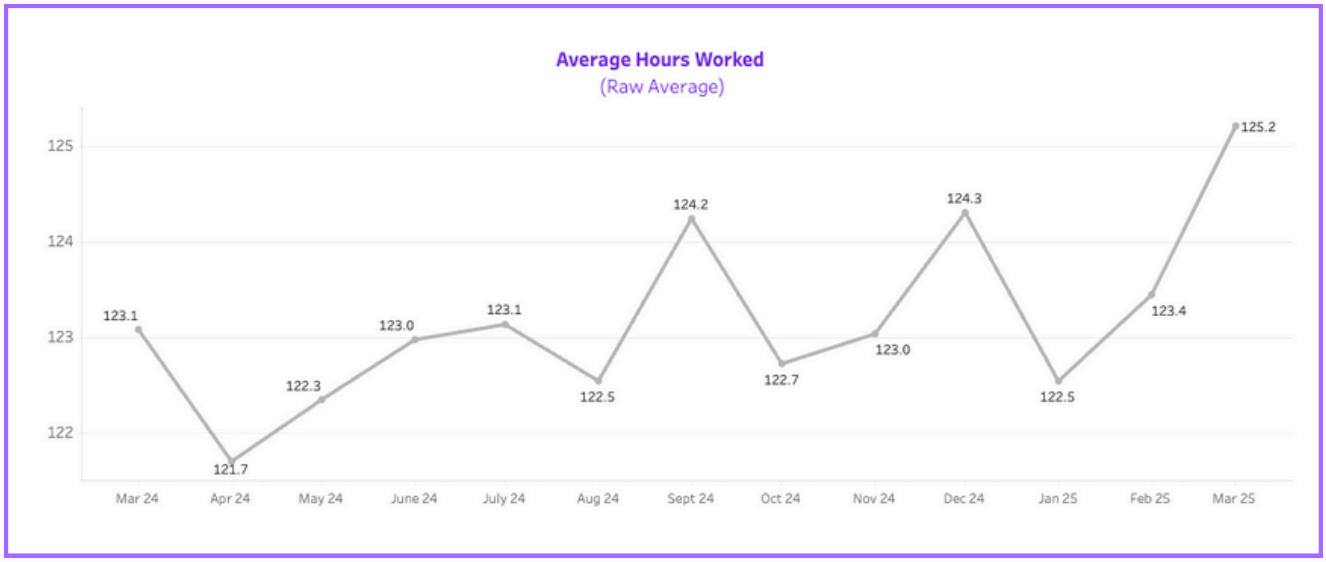


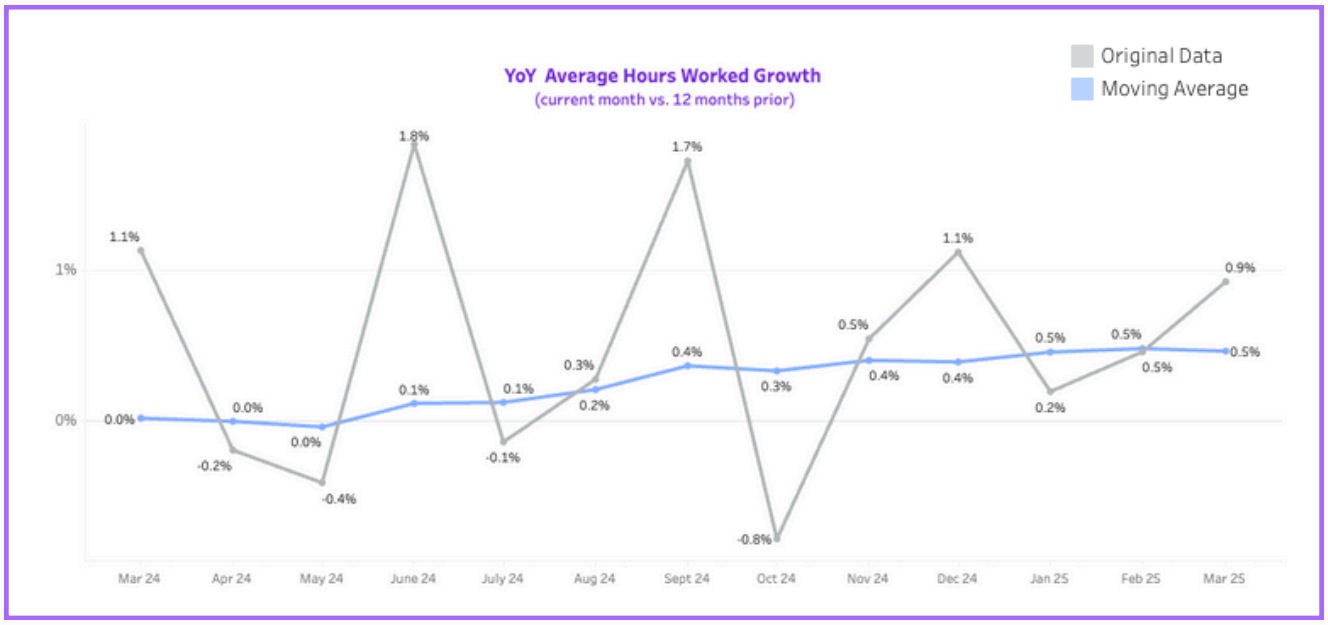


In March 2025, the seasonally adjusted month-over-month (MoM) employment growth was modest at +0.4%, a slight upward correction from the raw MoM growth of +0.3%. This indicates that seasonal factors played little role in explaining the short-term movement in employment. The seasonal adjustment removes recurring patterns, revealing flat employment growth and suggesting subdued momentum in the labour market.

On the other hand, the seasonally adjusted quarter-over-quarter (QoQ) growth stood at 1.1%, notably lower than the raw QoQ growth of 1.5% and brought the upward trend down to a flat line. This suggests that, on a medium-term basis, seasonal factors had a much bigger impact on quarterly employment trends, indicating that the observed growth might be more a result of seasonal adjustments, as opposed to reflective of sustained labour market dynamics.

Average Hours Worked





MONTHLY % CHANGE (ADJ.)	QUARTERLY % CHANGE (ADJ.)	ANNUAL % CHANGE (ADJ.)
vs. Feb 2025	vs. Dec 2024	vs. Mar 2024
▲ +1.3%	▲ +0.7%	▲ +0.9%

Why this metric matters

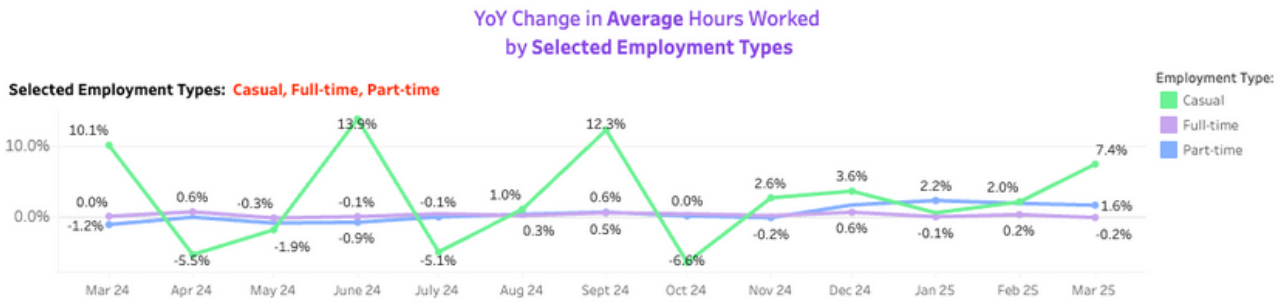
The average hours worked metric measures the raw average hours worked of both Employment Hero HR and Payroll users and the % adjusted change overtime for the preceding 12 months (please refer to methodology section for more details on the adjusted % change overtime). It is a key indicator of economic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

Month-on-month, the adjusted percentage change in average hours worked increased by +1.3% compared to Feb 2025, reflecting a slight rebound in hours worked.

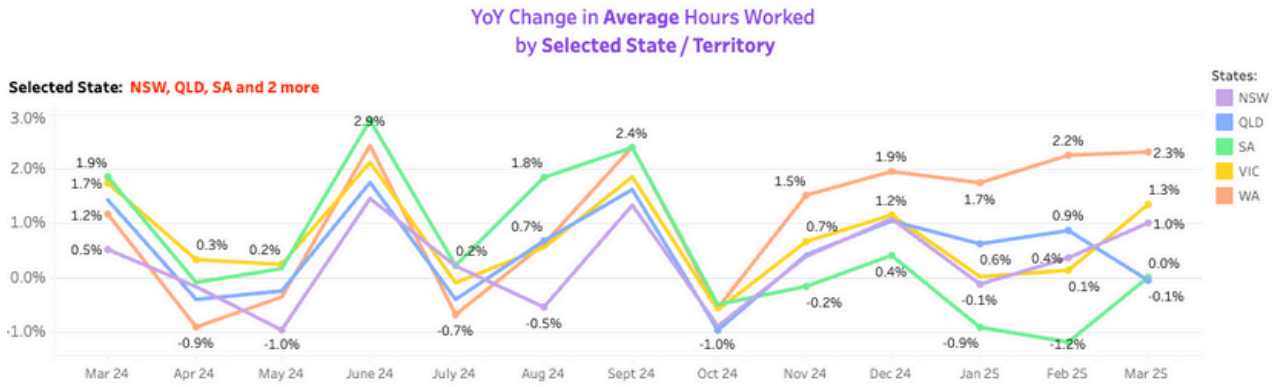
Similarly, both the quarter-on-quarter and year-on-year change showed modest increase of 0.7%, and 0.9% respectively, signalling a relatively stable work dynamics in the labour market.

Average Hours Worked YoY % Adjusted Growth (Breakdowns)

Employment Type Breakdown



State Breakdown



Employment Type Breakdown

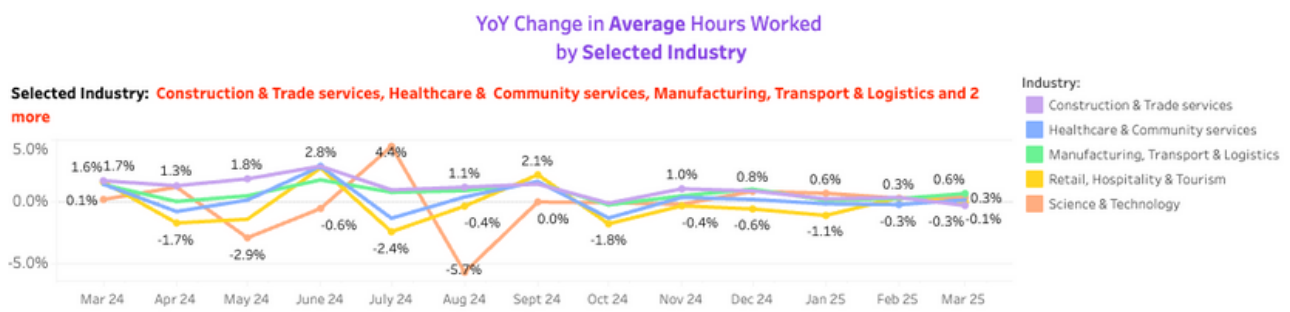
Average hours worked remained flat year-on-year (YoY) for full-time workers in March 2025, and part-time workers saw a modest, steady increase of 1.6%, indicating stability for permanent roles. In contrast, casual hours saw a substantial increase from 2.0% to 7.4% YoY, and the trend in the past 6 months seemed to signal a gradual growing demand in the contingent labor market, moving away from the significant volatility experienced throughout 2024. However, it is worth noting that casual workers also saw a significant deceleration in wage growth this month, and the increase in hours could be a compensation.

Region Breakdown

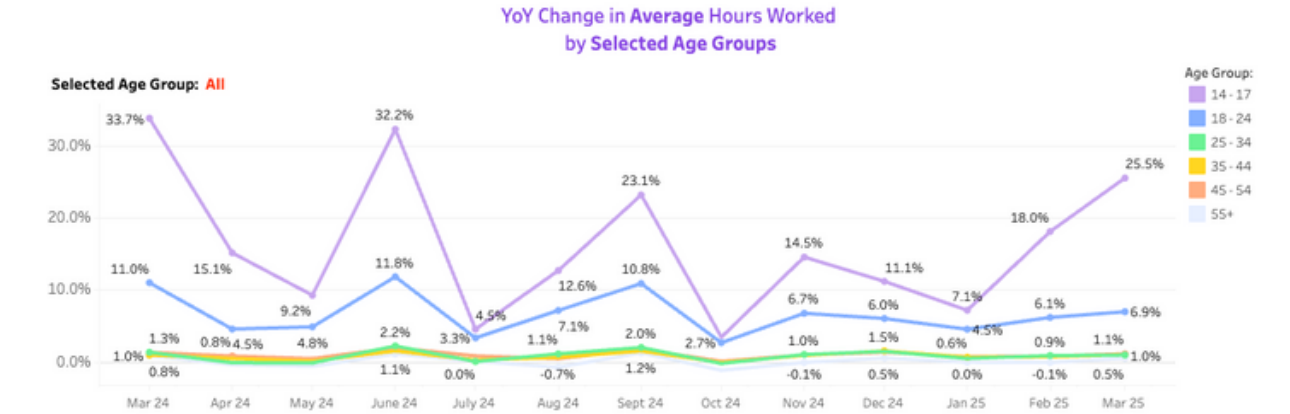
In March 2025, most states experienced a slight acceleration in year-on-year (YoY) growth in average hours worked, with Western Australia (WA) continuing to lead at a 2.3% increase. Victoria (VIC) and New South Wales (NSW) followed with 1.3% and 1.0% growth respectively, and South Australia started to show signs of recovery after a rocky start to the new year, returning to 0.0% compared to March 2024. Queensland (QLD), on the other hand, saw a minor drop in momentum to -0.1% YoY, likely a direct impact from the recent extreme weather.

Average Hours Worked YoY % Adjusted Growth (Breakdowns)

Industry Breakdown



Age Breakdown



Industry Breakdown

March 2025 data revealed steady and minor changes in average hours worked across different sectors. The Construction & Trade Services and Manufacturing, Transport & Logistics saw the most significant, yet still relatively modest decrease in momentum at a -0.1% year-over-year decrease. On the other hand, Manufacturing, Transport & Logistics sector emerged to lead the chart at 0.6% compared to March 2024.

Age Breakdown

Younger workers continued to experience substantial YoY increase in average hours worked, with the 14–17 seeing the steepest boost, reaching 25.5% In March 2025.

The 18-24 group followed with a 6.9% growth in average hours worked as more Gen-Z stepped into full-time jobs, while older groups, having much more stable workforce composition, saw little to no growth.

Average Hours Worked (Breakdowns)

Employment Type

% Change (Adj.)	Full-Time	Part-Time	Casual
Average Hours Worked	151.8	102.7	85.6
Monthly	-0.3%	-0.9%	5.1%
Quarterly	0.5%	-0.7%	-2.2%
Annual	-0.3%	0.5%	-0.6%

State Breakdown

% Change (Adj.)	ACT	NSW	NT	QLD	SA	TAS	VIC	WA
Average Hours Worked	121.4	126.9	121.4	126.0	120.5	118.8	125.4	123.2
Monthly	1.3%	1.4%	0.8%	0.3%	1.7%	2.4%	1.7%	1.3%
Quarterly	-0.1%	0.8%	2.5%	-0.3%	0.4%	-0.4%	1.3%	0.6%
Annual	0.2%	1.0%	2.9%	-0.1%	0.0%	-1.0%	1.3%	2.3%

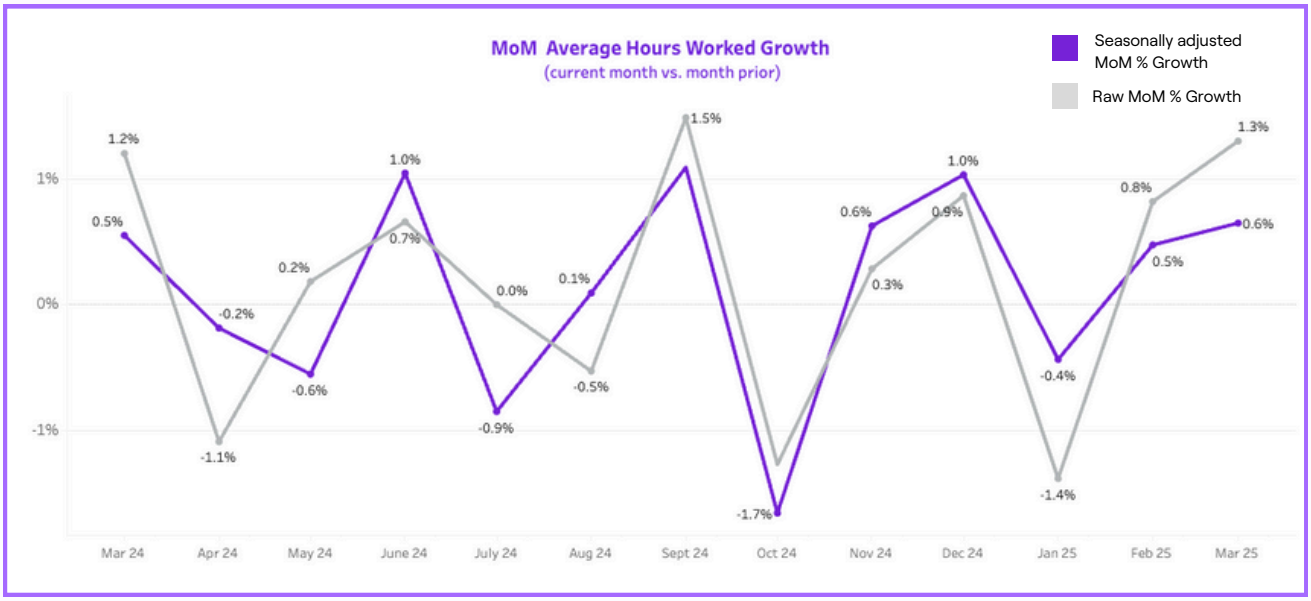
Industry Breakdown

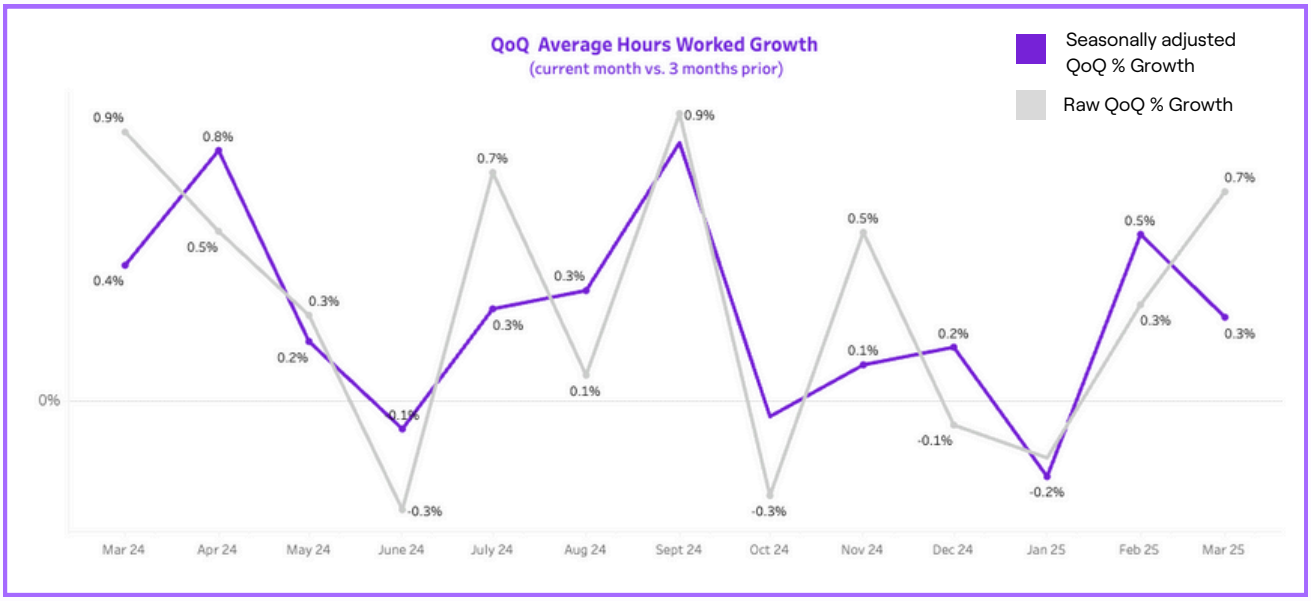
% Change (Adj.)	Construction & Trade Services	Healthcare & Community Services	Manufacturing, Transport & Logistics	Retail, Hospitality & Tourism	Science & Technology
Average Hours Worked	143.2	112.5	143.8	114.9	143.8
Monthly	0.3%	1.9%	0.3%	1.6%	0.1%
Quarterly	0.9%	0.9%	0.8%	-1.2%	0.0%
Annual	-0.3%	0.1%	0.6%	-0.1%	0.3%

Age 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	53.6	104.7	127.7	131.9	133.1	123.1
Monthly	16.6%	2.8%	0.8%	0.9%	1.1%	1.7%
Quarterly	-7.6%	-0.2%	0.3%	0.9%	1.1%	1.5%
Annual	25.5%	6.9%	1.0%	1.0%	1.1%	0.5%

Raw vs. Seasonally Adjusted Average Hours Worked





The seasonally adjusted MoM growth rates for average hours worked in March 2025 was recorded at 0.6%, notably lower than the raw observation of 1.3%, reflecting considerable short-term impacts of seasonal factors compared to a relatively quiet month like February where tourism and holiday effects are minimal. Similarly, seasonal adjustments led to a QoQ growth of 0.3% in average hours worked, 0.4% lower than the raw figure of 0.7%, reversing the raw observed upward trend.

Methodology

Overview

The Monthly Employment Hero Jobs 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 Total Annual Salary

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 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 annual salary. 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.

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).

Normalisation of payslips

The methodology for calculating hours worked 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 hours = (Aggregated 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

Methodology

Extrapolation of Salary

The methodology for calculating annual total salary is based directly on Employment Hero's payroll system. First, an aggregation is made at the employee level for all payslips finalised within the last 12 months, along with a count on the distinct number of months with valid payslips. An extrapolation is then made following the below formula

Total Annual Salary = (Aggregated salary from all payslips in the past 12 month) ÷ (number of unique months the employee had valid payslips) X 12

Note that all data points with fewer than 6 months of data is then excluded from the population as

1. For new starters, the first 6 months can typically be the length of probation, during which salary may differ;
2. Benefits such as signon bonus can massively overestimate extrapolation results.

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.

Additional considerations

- No normalisation of hours worked is applied to casual workers or labour hires.
- 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) Annual Salary
Total annual compensation