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## **Unemployment falls again as Hunter job market remains tight**

Unemployment in the Hunter continued its downward trend in May, dropping from 4.0 per cent across the Hunter region in April to 3.7 per cent, suggesting the job market is showing signs of being close to 'full employment'.

Australian Bureau of Statistics [Labour Force figures](#) show the monthly unemployment rate fell to 3.8 per cent in the Newcastle and Lake Macquarie statistical area and just 3.4 per cent in the Hunter Valley excluding Newcastle – or 3.7 per cent combined – against a statewide figure of 4 per cent.

Business Hunter CEO Bob Hawes said that while month-to-month regional figures could be a volatile measure, the more reliable yearly average was also showing favourable conditions for jobseekers in the region. The 12-month average for Newcastle and Lake Macquarie was just 3.2 per cent and the Hunter Valley 4.3 per cent, compared with a NSW average of 4 per cent.

"Unemployment rates remain very low by historical standards, with a pool of just 13,600 people, which suggests that anyone who wants a job in the region at the moment should be able to find one," Mr Hawes said.

"But there are nuances within that assumption, including factors such as underemployment, or a mismatch between the skills in the labour market with some of the jobs on offer.

"Interestingly, the monthly improvement in unemployment rates did not result in growth in the total number of people employed in the region, which actually fell by 11,700 in May.

"This is reflected in lower participation rates across the region, which is the measure of people 15 to 64 years who are either in a job or registered as looking for work.

"It indicates that more people of working age have decided to opt out of the labour force altogether – be that permanently or temporarily – most likely to travel, take a career break or early retirement, or attend to other commitments such as family care."

The Jobs and Skills Australia Internet Vacancy Index saw a rise of 2.5 per cent in the number of job ads from April to May, suggesting employers continue to fish in the market where the pool of candidates remains relatively modest. While the May figure is 17 per cent down on what job ads were 12 months ago, it remains strong compared to pre-COVID levels, and consistent with markets elsewhere in NSW.

The region's youth employment (15- to 24-year olds) also remained tight with an unemployment rate of 5.6 per cent in May, barely changing from 5.4 per cent in April.

"It seems the double-digit days of youth unemployment rates are well behind us in the Hunter and the market remains fairly buoyant for those in this cohort looking for work," Mr Hawes noted.

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