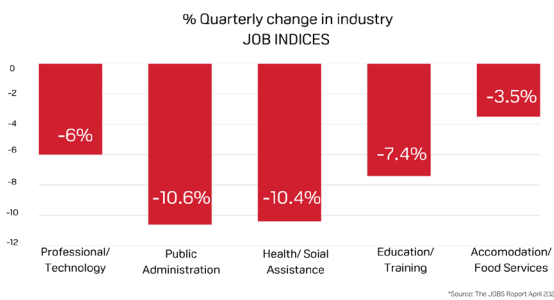


Q3 2024 employment market trends

Jan - March 2024

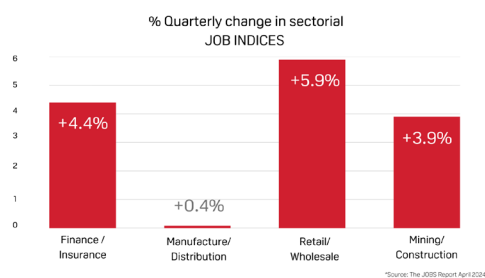
Australia's job market is presenting a complex picture. While unemployment remains low, with some regions like the Northern Beaches boasting rates as low as 2%, the overall market shows signs of softening. The Australian Jobs Index dipped 4.6% in Q1 2024, marking the fourth consecutive decline. This slowdown, following a period of intense competition to attract candidates, has eased the pressure on companies. This shift is reflected in the rise of part-time positions, which may be due to cost concerns for employers or changing worker preferences. However, the need for skilled workers remains crucial. Critical skill shortages persist in healthcare and engineering, highlighting the importance of specialised talent.

Source: *jobsandskills.gov.au Feb 24 NSW Parliament Data Brief 2024



Market demand:

While the rate of decline in the job indices appears to be easing, a full recovery isn't expected until interest rates fall, and business confidence improves. Public administration and healthcare have been hit the hardest. Education and training are in reasonable shape due to the return of international students. Accommodation and Food services shows surprising resilience dropping only 3.5% in the last quarter. Other industries such as Finance, Insurance, Retail, Manufacturing and Distribution fared better, reporting positive growth but starting from a lower standpoint.



Source: *The Jobs Report April 2024

Projected growth:

Australia's economic landscape in 2024 is forecast to tread a cautious path. The RBA predicts GDP growth to hover around 2.0%, a slight improvement from earlier projections. This slowdown might offer a glimmer of hope, but inflation remains a persistent thorn in the side of consumers. While the peak may have passed, cost-of-living pressures are likely to linger throughout 2024. The impact on the employment sector reflects this cautious optimism. While overall job creation is slowing down, a national increase of just 0.9% for the 2024-25 financial year, sectors like healthcare, technology, and professional services will still see growth. Upskilling and reskilling existing employees will be crucial to bridge skill gaps and the government is likely to support skills development and immigration.

Trends:

Despite this the challenge of skill shortages will persist throughout 2024. While offshoring talent might be a solution for some companies, particularly in specialised fields like IT and engineering, it comes with limitations like time zone hurdles and cultural considerations. Upskilling and reskilling existing employees will likely be a major focus for Australian companies to bridge these gaps in the coming months. Offering competitive packages and fostering a positive work-life balance will continue to be crucial for attracting skilled workers domestically. The government is likely to play a supporting role by promoting skills development and potentially streamlining immigration processes for skilled migrants.



The Job Seeker profile:

What are the Northern Beaches job seekers looking for in the current job market? They are prioritising stability and lifestyle needs when considering potential employers and they are moving quickly. They are applying for multiple positions, are going to the employer who is the most efficient in their interview process or they are inclined to take counter offers.

Stability – With all the uncertainty in the world job seekers are looking for a solid workplace in robust industries. A place where the culture is sound and staff longevity is demonstrated.

Flexibility – This is still a high priority for job seekers. A hybrid structure is proving key to attracting and retaining talent.

Salary – It's competitive out there, workers are flexible on salary if the job culture is the right fit for them.

Expert Opinion:

The Evolving Northern Beaches Employment Landscape: A Double-Edged Sword

The Northern Beaches job market is experiencing a unique shift. While official statistics might not yet reflect it, we're seeing a transition to a new level of hiring complexity. Applications are on the rise, yet the pool of truly qualified local talent remains limited. This creates a double-edged sword for both employers and employees.

Employers face the challenge of sifting through a high volume of applications that often appear promising on paper but lead to disappointing outcomes. This can be attributed to factors like: 'Desperate' applicants who might not possess the specific skills needed or who live outside an acceptable commuting area; Salary expectations not aligning with the job description; A potential skills gap in the local workforce.

Employees also find themselves frustrated. Job boards lack the depth of information they crave, particularly regarding company culture and career progression. With high application volumes, competition seems fierce, discouraging qualified candidates.

Solutions? Both employers and employees can look beyond traditional job boards. Consider networking events, professional organisations, and company websites. Employment agencies can also be a valuable resource for connecting with like-minded businesses and utilising long-established relationships to search for the right fit locally.



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