



Australian Government



Jobs and Skills Australia

Jobs and Skills report 2025

The future labour market



Australia's labour market is changing due to shifts in population, industry and technology. Understanding how jobs and skills will evolve is key to preparing people, businesses and regions for the future. Technologies like AI are reshaping tasks and occupations, but broader changes are also influencing the skills needed to drive productivity, participation and inclusive economic growth.

JSA's projections and scenario modelling identify emerging opportunities, skills demands and potential risks. These insights support strategic planning across government, education and industry to contribute to building a workforce that can adapt, innovate and thrive.

Evolving workforce composition

- Workforce participation has increased, largely driven by increased participation from women and mature aged people.
- Over the last 10 years, Australian industry composition has shifted:



+886,700 workers in health Care and Social Assistance, now totalling more than 2.3 million workers.



+359,700 workers in Professional, Scientific and Technical Services, now totalling 1.3 million workers.



+337,800 workers in Education and Training, now totalling 1.3 million workers.



Lower skilled roles saw modest growth, **reflecting a shift toward higher skilled jobs.**

Employment Projections – from 2025 to 2030 and 2035

JSA's employment projections, developed in partnership with Victoria University, offer insights into Australia's future workforce needs by modelling short and long term labour market trends. These forecasts can support strategic workforce planning and policy decisions. However, it should be noted that they are indicative and subject to change as economic conditions change.

Overall Employment Growth

Total employment in Australia is projected to grow:

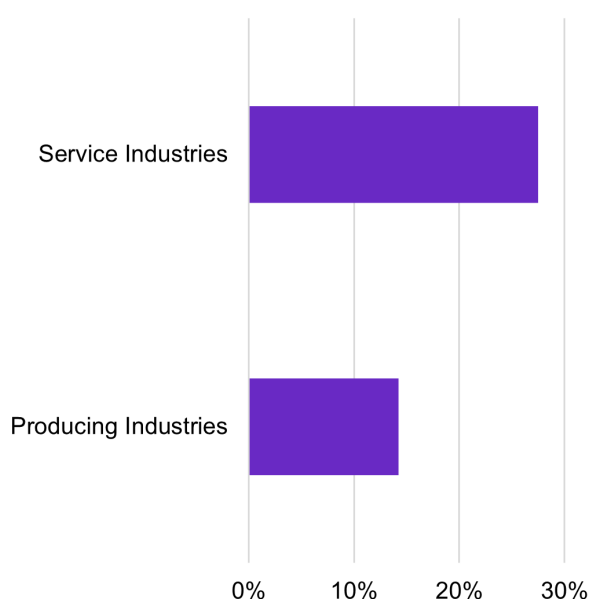
- 6.5% (961,000 people) over the next 5 years.
- 13.3% (1.95 million people) over the next 10 years.
- Employment levels are higher than previously projected due to a strong labour market over the past year.

Employment Outlook

By Industry

Service industries account for a significant share of Australian employment in 2025 (around 80%). Notably, almost 90% of employment growth over the past 10 years has been in service industries.

Industry employment change 10 years to May 2025, 'Service Industries' and 'Producing Industries'



Source: ABS, Labour Force, Detailed, May 2025, data trended by JSA

Service industries will continue to dominate employment growth, with the top 3 industries contributing to 49% of total projected employment growth from 2025 to 2035.

By Occupation

All occupation major groups are projected to increase in employment over the next decade

- Professionals are projected to grow by 456,900 persons (11.6%) to 2030, and by 845,300 persons (21.4%) to 2035. The occupations that are projected to have the strongest employment growth over the decade are mostly those in the health therapy sectors (Physiotherapists are projected to increase by 35.1% over the next 10 years).
- Managers are projected to grow by 143,400 persons (7.7%) to 2030 and by 279,600 people (14.9%) to 2035. The occupations that are projected to have the strongest employment growth over the decade are Health and Welfare Services Managers (27.1%), ICT Managers (25.5%) and Research and Development Managers (22.8%).
- Community and Personal Service Workers are projected to grow by 122,000 persons (7.1%) to 2030 and by 236,100 people (13.7%) to 2035. The occupations that are projected to have the strongest employment growth over the decade are mostly those in health and care fields, with top 3 being Dental Assistants (26.8%), Nursing Support and Personal Care Workers (24.7%) and Ambulance Officers and Paramedics (22.6%).

By Skill Level

- Over 90% of employment growth will be in jobs requiring post-secondary qualifications (Skill Levels 1-4)

