



Australian Government

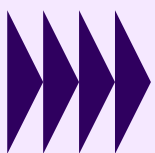


Jobs and Skills Australia

Pathways to Success

Jobs and Skills Report 2026

Workforce demand – creating attractive, productive jobs



Future workforce demand is concentrated in sectors already under pressure

Meeting future workforce needs requires attention to which jobs and skills are in demand and the jobs through which those skills are put to work. This includes designing work to unlock the potential of greater participation from cohorts who have faced greater barriers to participation in work, such as women, people with disability and First Nations people.

Employment growth and policy-driven investment are increasingly concentrated in construction trade, engineering, care, technology and energy-related occupations. Many of these occupations are already experiencing shortages. Investment in housing, clean energy, healthcare, digital infrastructure and sovereign capability requires skilled workers. Workforce planning is an important condition for delivering national priorities.

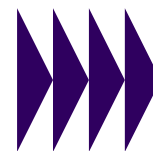
There is potential misalignment between student demand for higher education and employment demand for VET

The JSA and Victoria University unconstrained supply model, suggests that if education and training supply were more responsive to labour market demand, Australia could support around 106,000 more workers in Skill Level 3 and 4 occupations over the next decade, offset by around 139,000 fewer workers in Skill Level 1 occupations than under current supply trends.

This highlights persistent unmet demand for Certificate III and IV pathways and the need for a better balance between VET and higher education supply.



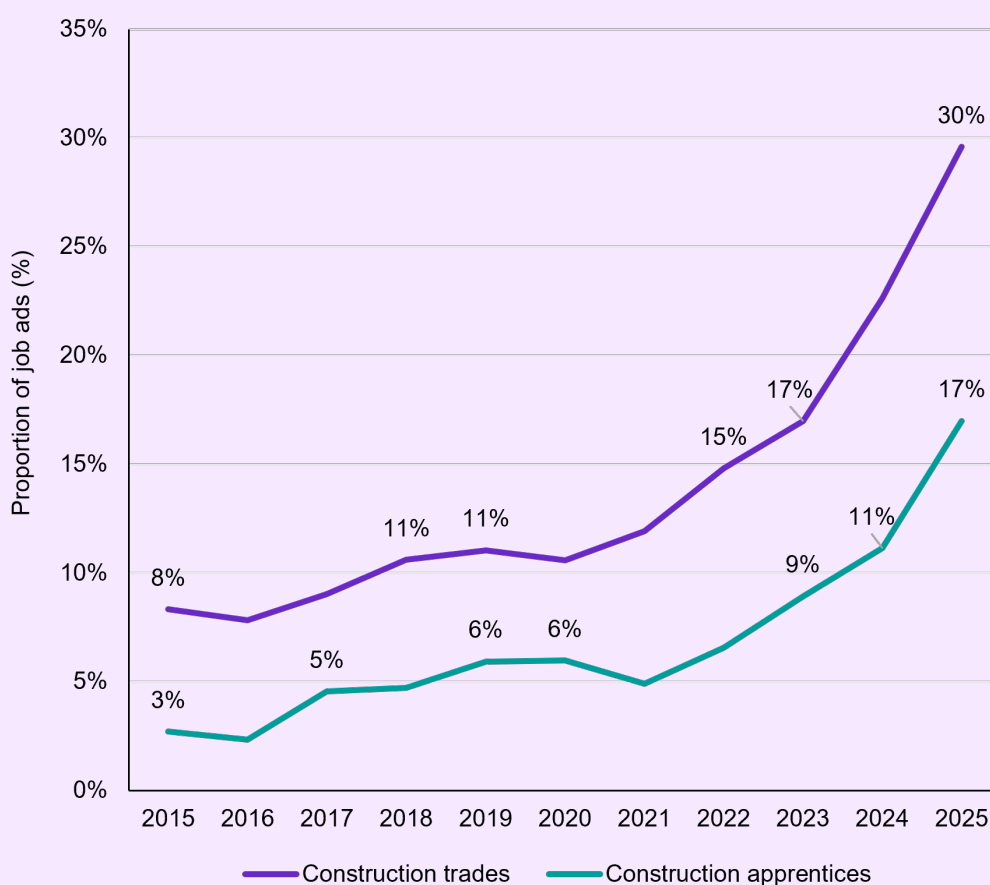
Increasing productivity in jobs will require broad capabilities, not just technical skills



Improving productivity in jobs will depend on workers being supported to adapt, solve problems and apply judgement as the nature of work changes.

Figure 1: Growing demand for critical thinking and problem-solving skills highlights the changing nature of the construction trades including apprentices

Proportion of job ads that mention critical thinking and problem-solving skills for construction trades and apprentices



Source: Lightcast, JSA Analysis.



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