



Australian Government



National  
**Skills**  
Commission

# Employment outlook

Industry and occupation trends over the five  
years to November 2026



With the exception of the Commonwealth Coat of Arms, the Department's logo, any material protected by a trade mark and where otherwise noted all material presented in this document is provided under a [Creative Commons Attribution 4.0 Australia](#) licence.

The details of the relevant licence conditions are available on the Creative Commons website (accessible using the links provided) as is the full legal code for the [CC BY 4.0 AU licence](#).

The document must be attributed as the *Employment Outlook (five years to November 2026), National Skills Commission*.

## Setting the scene

The employment projections presented in this paper give insights into the changes and challenges the Australian labour market faces over the medium term as it continues to recover from the impacts of the COVID-19 pandemic. As with all such exercises, these employment projections are subject to an inherent degree of uncertainty, which has been exacerbated recently by the significant and rapid impact that outbreaks of COVID-19 can have on the labour market, particularly given the uneven nature of these impacts across industries and occupations and how employment has subsequently recovered.

These employment projections are based on forecast and projected total employment growth rates published in the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO) and implicitly follow the assumptions made in that publication.

The employment projections provide data and insights about the likely trajectory of employment in sectors and occupations in the labour market. The data help employers, job seekers and policy makers understand where the job opportunities are likely to be in the future to make informed planning decisions. That said, they also cannot fully predict the impacts of events – including any private sector or public policy interventions – over the coming years which may affect industries<sup>1</sup> and employment more generally.

The Employment Outlook to November 2026 is based on employment projections produced by the National Skills Commission for the period November 2021 to November 2026. The report outlines the employment outlook across industries, occupations and skill levels.

## Recent employment growth

Over the five years to February 2022 (latest available data at time of publication), employment increased by 1,322,000 (or 11.0 per cent), or 2.1 per cent per annum, above the rate of growth recorded over the last decade (of 1.7 per cent). Despite the impact of the Delta and Omicron outbreaks of COVID-19, in seasonally adjusted terms, employment

---

<sup>1</sup> It is also important to note that industries are dynamic and interrelated. Therefore, they are not always perfectly represented by the ANZSIC structure utilised in these projections.

growth has risen strongly over the last year (up by 3.0 per cent or 395,400) to stand at a record high of 13,372,000 in February 2022.

- As a result of the Delta outbreak of COVID-19 and associated restrictions, employment fell by 346,200 between July and October 2021. This was followed by the largest monthly increase in employment ever recorded in November 2021, of 372,500, highlighting the ability for the broader labour market to quickly bounce back from any downturns as a result of COVID-19.

A number of services industries made large contributions to employment growth over the five years to November 2021 (latest available industry employment data), led by the Health Care and Social Assistance industry (up by 350,100 or 22.6 per cent), followed by Professional, Scientific and Technical Services (209,000 or 20.5 per cent), Public Administration and Safety (153,100 or 19.9 per cent) and Education and Training (133,300 or 13.6 per cent). By contrast, the largest falls in employment were in the Manufacturing (down by 107,800 or 11.1 per cent)<sup>2</sup>, Information Media and Telecommunications (down by 23,800 or 11.0 per cent) and Accommodation and Food Services (down by 4,300 or 0.5 per cent) industries.

## Looking ahead over the coming five years

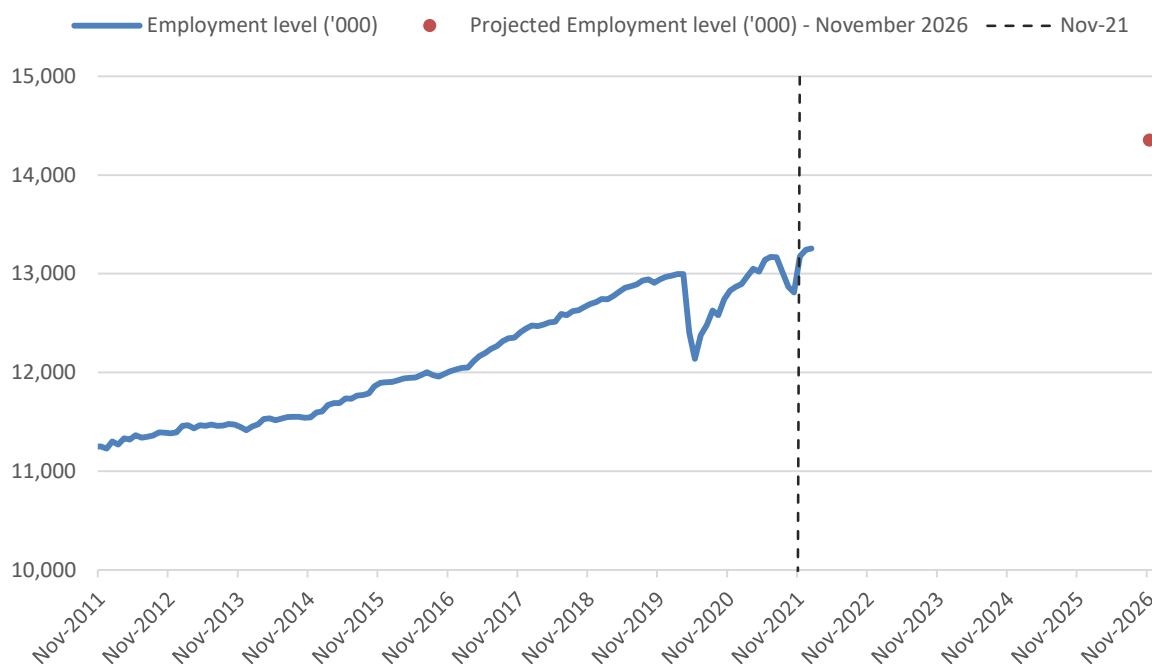
The National Skills Commission's (NSC's) five year employment projections to November 2026 used in this analysis are based on forecast and projected total employment growth rates published in the 2021–22 MYEFO and Labour Force Survey employment data to November 2021. Based on these data, Figure 1 shows that total employment is projected to increase by 1,176,200 (or 9.1 per cent) over the five years to November 2026. It is important to note that strong recent employment growth is already contributing to this projected increase.

---

<sup>2</sup> Please note that considerable volatility has been evident in the recent seasonally adjusted Manufacturing employment estimates from the ABS Labour Force Survey. Indeed, a separate ABS publication, the Labour Account, estimates that the number of Manufacturing jobs in Australia fell by a much less severe 1.2 per cent over the five years to the September quarter 2021.

It is forecast that over the long term, pre-COVID-19 trends will continue to reassert themselves as the main drivers of employment growth, with a continued shift towards services-based industries and skilled occupations.

**Figure 1: Employment level, past and projected growth to November 2026, Australia ('000s)**



Source: ABS, Labour Force, Australia, seasonally adjusted, and NSC Employment Projections, five years to November 2026

Considerable uncertainty, however, surrounds the short to medium term outlook for the labour market. For instance, any further outbreaks of COVID-19 could impact the Australian labour market. In addition, the current global environment is adding significant uncertainty, with ongoing supply chain pressures and potential economic fallout from the Russian invasion of Ukraine as just two examples.

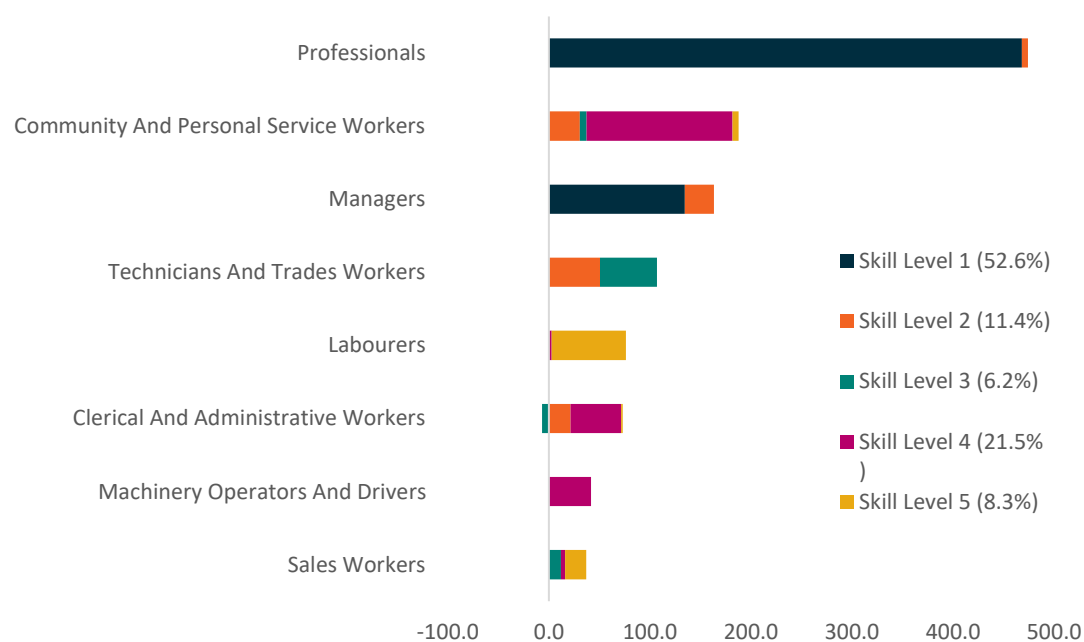
## Jobs and skills on the increase

Employment is projected to increase across all eight of the broad occupational groups and all five skill levels over the five years to November 2026 (Figure 2). Very strong employment growth is projected to continue for **Professionals** (up by 494,200 or 14.7 per cent) and **Community and Personal Service Workers** (up by 188,900 or 13.5 per cent), consistent with strong projected growth in the service industries that are closely associated with these

occupational groups. Together, these two occupational groups are expected to account for 58.1 per cent of the total growth in employment over the next five years.

While **Managers** are projected to grow by 163,700 (or 9.2 per cent), employment is expected to be largely in line with average employment growth (the average projected employment growth rate being 9.1 per cent). Below average employment growth is projected for all five of the remaining occupation groups. **Technicians and Trades Workers** (up by 108,600 or 6.1 per cent) is expected to record the largest increase in employment of these five occupation groups, followed by **Labourers** (77,800 or 6.9 per cent), **Clerical and Administrative Workers** (up by 66,600 or 3.9 per cent) and **Machinery Operators and Drivers** (39,700 or 4.7 per cent). The lowest level and rate of employment growth is projected for **Sales Workers** (36,700 or 3.3 per cent).

**Figure 2: Projected employment growth to November 2026 ('000s), by major occupational group and skill level<sup>3</sup>**



<sup>3</sup> The Australian Bureau of Statistics (ABS) classifies occupations according to five skill levels commensurate with the following qualification(s) or where relevant work experience with training may be a substitute for formal qualifications: Skill level

More than nine-in-ten new jobs are projected to require post-school qualifications, reflecting the importance of tertiary education and skills development beyond secondary school.

As shown in Figure 2, projected employment growth in **Skill Level 1 occupations** (up by 618,400 or 13.5 per cent) alone accounts for over half (52.6 per cent) of the projected total employment growth over the five years to November 2026. While all Skill Level 1 occupations fall within the Managers and Professionals occupation groups, over three quarters (77.7 per cent) of employment growth in Skill Level 1 occupations is delivered by the Professionals occupation group.

- Over the five years to November 2026, employment in STEM occupations – using science, technology, engineering and maths – is projected to grow by 14.2 per cent. This is well above the all occupations average (of 9.1 per cent) and around twice as fast as non-STEM occupations (7.4 per cent).

The importance of Vocational Education and Training is also evident, with projected employment growth for **Skill Level 4 occupations** (up by 252,600 or 8.0 per cent) making the second largest contribution to total employment growth. Skill Level 4 occupations are found in all broad occupation groups except Managers, Professionals and Technicians and Trades Workers. The Community and Personal Service Workers occupation group makes up the majority (59.4 per cent) of projected employment growth in Skill Level 4 occupations, while projected employment growth is moderated marginally by declines in Sales Workers.

The weakest employment growth is projected for **Skill Level 3 occupations** (up by 73,200 or 3.8 per cent). Employment growth here is moderated by projected employment declines in Clerical and Administrative Workers, resulting in negative contributions from this occupation group.

---

1: Bachelor degree or higher qualification; Skill level 2: Advanced Diploma or Diploma; Skill level 3: Certificate IV or Certificate III with at least two years on-the-job training; Skill level 4: Certificate II or III; Skill level 5: Certificate I or secondary education.

## Where the job opportunities will be

At the more detailed occupation level, employment is projected to grow in 291 out of 358 occupations over the five years to November 2026, with employment projected to exceed pre-COVID-19 levels for 212 occupations.<sup>4</sup>

The importance of the 4 Cs (Care, Computing, Cognitive ability and Communication), outlined as some of the key skill needs of the future in the NSC's report *State of Australia's Skills 2021: now and into the future*, are evident in the occupational projections. For instance, the care sector occupations Aged and Disabled Carers (up by 74,900 or 28.0 per cent) and Registered Nurses (up by 40,400 or 13.9 per cent) are expected to record the largest and third largest increases in employment over the five years to November 2026, driven by Australia's ageing population and the strong employment growth projected for the Health Care and Social Assistance industry.

Further, the importance of computing and cognitive skills is evident in the strong employment increases projected for Software and Application Programmers (up by 42,200 or 27.0 per cent), Database and Systems Administrators, and ICT Security Specialists (up by 29,100 or 38.9 per cent) and Management and Organisation Analysts (up by 28,200 or 32.2 per cent). All three of these occupations are among the six occupations with the largest projected increase in employment over the five years to November 2026.

Indeed, the continued strength in demand for the services of qualified and highly educated workers, as the Australian economy continues to transition towards more services-based industries, is also reflected in the strong employment growth projected for Solicitors (up by 20,400 or 21.0 per cent) and Human Resource Managers (up by 19,300 or 16.3 per cent).

---

<sup>4</sup> It is important to note that the employment projections are a point forecast for November 2026 and provide no data for employment in the intervening five-year period. In addition, the seasonally adjusted estimates at the four-digit occupation level exhibit considerable volatility. As a result, there are instances where the November 2021 (base) seasonally adjusted employment figure is an outlier and a significant deviation above or below the long-term trend. In these situations, accurately forecasting the rate of employment growth has been prioritised over accounting for this disparity between the base level and long-term trend.

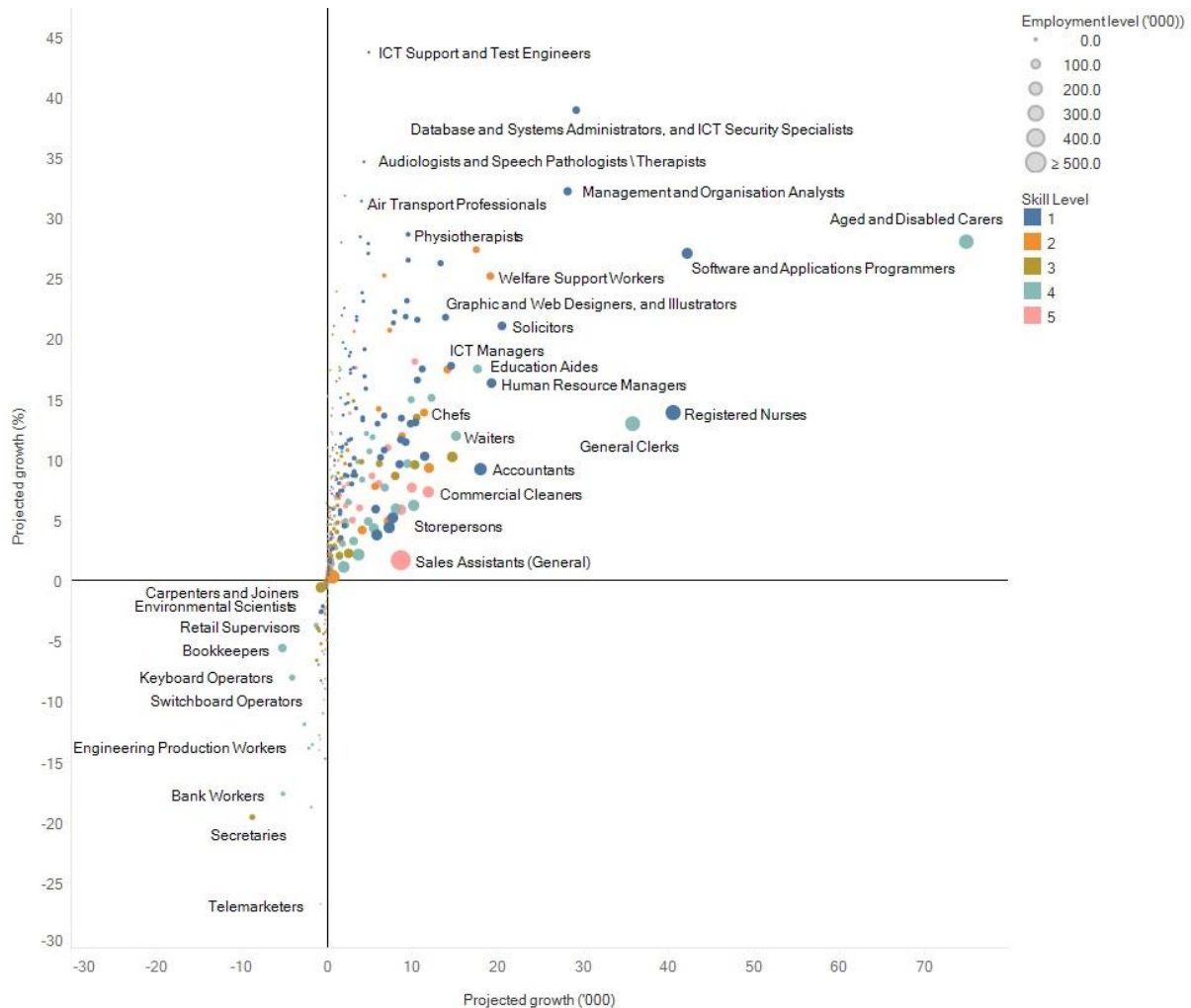


Just 49 of the 358 detailed occupations are projected to record a decline in employment over the five years to November 2026. A number of the occupations that are expected to record the largest decreases in employment have been subject to long-term employment declines and are particularly exposed to structural trends such as automation and globalisation. For instance, Secretaries are expected to record the largest decline in employment over the five years to November 2026 (down by 8,800 or 19.6 per cent), an occupation that has recorded a fall in employment of 78,000 over the last 20 years, the largest of any occupation.

Bookkeepers (down by 5,300 or 5.6 per cent), Bank Workers (down by 5,200 or 17.6 per cent) and Keyboard Operators (down by 4,000 or 8.1 per cent) are also in the occupations with the top six largest projected declines in employment, and each occupation has recorded a substantial fall in employment over the last twenty years.

Further, Other Stationary Plant Operators (down by 2,600 or 11.9 per cent), Engineering Production Workers (down by 2,200 or 13.9 per cent) and Other Machine Operators (down by 2,000 or 18.7 per cent) are also projected to record a large decline in employment over the five years to November 2026.

**Figure 3: Projected employment changes by occupation and skill level ('000s and percentage growth)**



The detailed occupation projections also illustrate the extent to which employment growth is expected to be in highly skilled jobs. Indeed, of the 49 occupations that are projected to record a decline in employment over the five years to November 2026, just 5 (or 10 per cent) are Skill Level 1 occupations, while 10 (or 20 per cent) are Skill Level 5 occupations. In a similar vein, of the 130 occupations that are projected to record employment growth at a faster rate than the average for all occupations, 74 (or 57 per cent) are Skill Level 1 occupations, compared with just seven (or 5 per cent) from Skill Level 5.

That said, it is important to note that there will be many employment opportunities across all skill levels in coming years. Indeed, 42 of the 55 (or 76 per cent) Skill Level 5 occupations are expected to record an increase in employment over the five years to November 2026,

while 78.9 per cent (or 56 of 71) Skill Level 4 occupations are projected to record an increase in employment over the period.

Aside from the previously mentioned Aged and Disabled Carers, other Skill Level 4 and 5 jobs projected to record a large increase in employment include General Clerks (up by 35,700 or 12.9 per cent), Education Aides (up by 17,600 or 17.4 per cent), Waiters (up by 15,000 or 12.0 per cent), Delivery Drivers (up by 12,200 or 15.1 per cent) and Commercial Cleaners (up by 11,900 or 7.3 per cent).

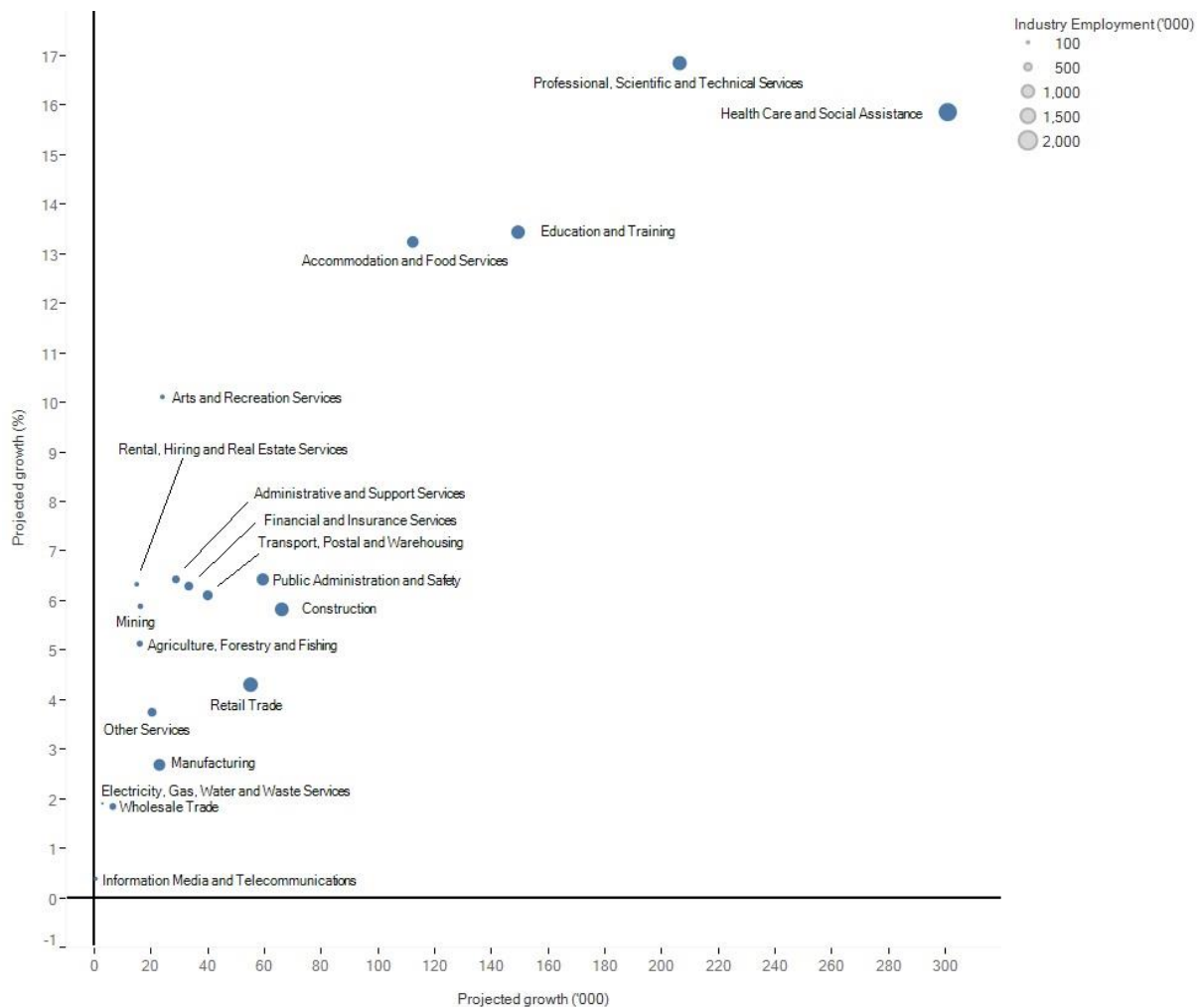
## **What industries are driving future employment growth?**

Reflecting a diverse and resilient labour market, employment is projected to increase in all 19 broad industries over the five years to November 2026 (Figure 4). In November 2021, employment exceeded pre-COVID-19 levels in 11 of these industries, and is projected to exceed this level in a further five industries at the end point of the five year projections period.<sup>5</sup>

---

<sup>5</sup> It is important to note that the employment projections are a point forecast for November 2026 and provide no data for employment in the intervening five-year period. That is, the recovery path of employment for occupations can only be implied by the NSC's employment projections. Low projected employment growth may indicate a slow recovery. However, it is entirely possible that employment will exceed pre-COVID-19 levels in the five-year period before settling at a lower point as longer-term trends unrelated to COVID-19 impact employment levels.

**Figure 4: Industry projected employment growth – five years to November 2026**



The long-term structural shift in employment towards services industries is projected to continue with four services industries – Health Care and Social Assistance, Professional, Scientific and Technical Services, Education and Training, and Accommodation and Food Services – expected to generate almost two-thirds (or 65.4 per cent) of the total projected employment growth. Once again, the importance of the 4 Cs (Care, Computing, Cognitive ability and Communication) are evident in these projections.

## Industry insights

**Health Care and Social Assistance**, the primary provider of new jobs in the Australian labour market since the 1990s, is projected to make the largest contribution to employment growth over the period (increasing by 301,000 or 15.8 per cent). This growth is supported by

continued investment in public health care at the state and federal levels along with ongoing demand generated by the National Disability Insurance Scheme. Increasing demand for childcare and Australia's ageing population also contribute to this strong projected growth, with employment in this industry having been resilient to the impacts of COVID-19.

These tailwinds driving projected employment growth for the Health Care and Social Assistance industry are also reflected at the occupational level. Indeed, seven of the top 10 largest employing occupations in the industry are projected to grow faster than the all-occupations average. Of the largest employing occupations in the industry, Aged and Disabled Carers is projected to record the largest growth over the five years to November 2026 (up by 74,900 or 28.0 per cent), followed by Registered Nurses (up by 40,400 or 13.9 per cent), General Clerks (up by 35,700 or 12.9 per cent), Welfare Support Therapists (up by 19,100 or 25.2 per cent) and Physiotherapists (up by 9,400 or 28.7 per cent).

Employment in **Professional, Scientific and Technical Services** is projected to increase by 206,600 (or 16.8 per cent) over the five years to November 2026, reflecting ongoing strength in demand for the services of qualified and highly educated workers throughout the economy.

The demand for highly educated workers in the Professional, Scientific and Technical Services industry is projected to translate into strong growth at the occupational level for the largest employing occupations within the industry. Indeed, nine of the 10 largest employing occupations within the industry are projected to grow faster than the all-occupations average. Of the largest employing occupations in the industry, Software and Application Programmers are projected to record the largest growth over the five years to November 2026 (up by 42,200 or 27.0 per cent), followed by Management and Organisation Analysts (up by 28,200 or 32.2 per cent), Solicitors (up by 20,400 or 21.0 per cent), Accountants (up by 17,900 or 9.2 per cent) and ICT Managers (14,400 or 17.7 per cent).

Employment in **Education and Training** is projected to increase by 149,600 (or 13.4 per cent) over the five years to November 2026, as international students return and strong drivers of employment growth such as a larger school aged population and growing demand for adult and community education continue.

Stronger than average growth is projected in six of the 10 largest occupations within Education and Training. Employment is projected to increase strongly for Education Aides (up by 17,600 or 17.4 per cent), Early Childhood (Pre-primary School) Teachers (up by 10,600 or 21.6 per cent) and University Lecturers and Tutors (up by 10,600 or 16.6 per cent).

**Accommodation and Food Services** employment is projected to pick up pace in its recovery from the major impact of COVID-19 and associated restrictions to surpass pre-COVID levels, increasing by 112,400 (or 13.2 per cent) over the five years to November 2026.

Employment in the industry declined by 286,100 (or 30.7 per cent) from February to its lowest point in May 2020, then partly recovered, increasing by 236,400 (or 36.6 per cent) over the year to May 2021. Employment in the industry then fell again over the August 2021 quarter (down by 65,700 or 7.4 per cent) on the back of Delta variant related COVID restrictions, before partly recovering again over the quarter to November 2021 (up by 32,300 or 4.0 per cent). Employment in the industry remains lower than pre-COVID levels (down by 83,200 or 8.9 per cent) as at November 2021. In this regard, part of the projected growth over the five years to November 2026 can be thought of as a recovery to pre-COVID employment levels.

Employment is projected to increase strongly for Cafe and Restaurant Managers (up by 17,500 or 27.3 per cent), Chefs (11,200 or 13.9 per cent) and Fast Food Cooks (up by 10,300 or 18.0 per cent).

Employment in **Public Administration and Safety** grew rapidly by 100,700 (or 12.3 per cent) between February 2020 and November 2021, reflecting the significant investments at all levels of government in response to the COVID-19 pandemic. Looking ahead, employment growth in the industry is projected to be more subdued, with an increase of 59,200 (or 6.4 per cent) over the five years to November 2026.

The lower-than-average projected employment growth in the industry is likely to be reflected at the occupational level, with only four of the top ten largest employing occupations in the industry projected to grow at a faster rate than the all-occupation average. For example,

employment is projected to increase - albeit at a lower-than-average rate - for Police (5,600 or 7.8 per cent) and Security Officers and Guards (3,000 or 4.9 per cent).

Employment growth in **Construction** is projected to be moderate in percentage terms, with an increase of 66,400 (or 5.8 per cent) over the five years to November 2026. The likelihood of increased interest rates during the forecast period presents headwinds for growth in the industry.

The lower-than-average projected employment growth in the industry (again in percentage terms) is likely to be reflected at the occupational level, with employment growth projected to be stronger than the all-occupations average in just four of the 10 largest occupations within the industry. Employment is projected to grow strongly for Electricians (up by 14,600 or 10.2 per cent), Construction Managers (up by 11,400 or 10.2 per cent) and Architectural, Building and Surveying Technicians (up by 8,800 or 11.9 per cent).

Employment in **Manufacturing**<sup>6</sup> is projected to increase by 23,100 (or 2.7 per cent) over the five years to November 2026. Whilst the long-term decline in some Manufacturing sectors is expected to continue, growth in other sectors within the industry such as Food Manufacturing is expected to remain robust and support an increase in employment for the industry over coming years.

Overarching trends within the Manufacturing industry, such as the shift to higher skilled employment and a resilient Food Manufacturing sector, are reflected at the occupational level. Employment is projected to increase strongly for Production Managers (up by 9,800 or 13.0 per cent), Food and Drink Factory Workers (up by 3,500 or 17.5 per cent) and Meat, Poultry and Seafood Process Workers (up by 2,700 or 13.8 per cent).

The softest employment growth of any industry is projected for the **Information Media and Telecommunications** industry, where employment is expected to grow by just 700 (or 0.4 per cent), on the back of ongoing market consolidation and shift towards non-physical

---

<sup>6</sup> As noted earlier in this report, it is important to note that because industries are dynamic and interrelated, they are not always perfectly represented by the ANZSIC structure. As one example of this, the Australian Government's definition of 'modern manufacturing' is broader than the ANZSIC definition of manufacturing used for these projections.

media. Increasing competitive pressures, particularly in the telecommunications sector, may also keep employment growth subdued. Importantly, subdued employment growth for the industry may not mean subdued contributions to economic activity, as labour productivity growth for the industry has been extremely strong (at an average of 3.8 per cent per annum, compared to 1.3 per cent per annum across all industries<sup>7</sup>) over the past decade.

### Industry Employment Projections – five years to November 2026

Industry	Projected employment growth – five years to November 2026	
	('000)	(%)
Agriculture, Forestry and Fishing	16.2	5.1
Mining	15.9	5.9
Manufacturing	23.1	2.7
Electricity, Gas, Water and Waste Services	2.6	1.9
Construction	66.4	5.8
Wholesale Trade	6.6	1.8
Retail Trade	55.1	4.3
Accommodation and Food Services	112.4	13.2
Transport, Postal and Warehousing	39.9	6.1
Information Media and Telecommunications	0.7	0.4
Financial and Insurance Services	33.2	6.3
Rental, Hiring and Real Estate Services	14.9	6.3
Professional, Scientific and Technical Services	206.6	16.8
Administrative and Support Services	28.8	6.4
Public Administration and Safety	59.2	6.4
Education and Training	149.6	13.4
Health Care and Social Assistance	301.0	15.8
Arts and Recreation Services	23.7	10.1
Other Services	20.3	3.7
<b>All Industries</b>	<b>1176.2</b>	<b>9.1</b>

---

7 Australian Bureau of Statistics, Australian system of National Accounts, 2021



## Background and methodology

Each year the National Skills Commission produces employment projections by industry, occupation, skill level for the following five years, the latest being the five years to November 2026. These projections are designed to provide a guide to the future direction of the labour market. However, like all such exercises, they are subject to an inherent degree of uncertainty. Caution should be exercised when using these projections. All efforts have been made to ensure these projections are as accurate as possible, however, the data used is inherently volatile and there are a large number of small series. Please note that due to the unprecedented changes in labour market indicators as a result of COVID-19, the ABS ceased the publication of trend estimates in March 2020, which have in the past been a key component for the employment projections. Seasonally adjusted data, which are more variable, have been used instead.

The projections have been derived by using a blend of two techniques, namely:

- best practice time series models that summarise the information that is in a time series and convert it into a forecast. The time series projections are made by combining forecasts from autoregressive integrated moving average (ARIMA) and exponential smoothing with damped trend (ESWDT) models, with some adjustments made to take account of research undertaken by the National Skills Commission and known future industry developments.
- CGE modelling work the NSC undertook in 2022 with the Victoria University Centre of Policy Studies, to better understand how structural changes in the economy may affect employment growth.

The nature of both exercises means that there will be differences between them. The NSC believes that having a range of techniques assessing future skills trends is one way of mitigating the risks of error inherent in any forecasting exercise.

The projection for total employment growth is consistent with employment growth to November 2021 and the Government's forecasts and projections for total employment growth from 2021-22 onwards, as published in the 2021-22 MYEFO.

The National Skills Commission's projections are medium term and point-in-time projections, and are thus not indicative of expected employment growth in the short term.

Additional labour market information can be obtained from the National Skills Commission website: <https://www.nationalskillscommission.gov.au/>

For further information, please contact the National Skills Commission through the online form <https://www.nationalskillscommission.gov.au/contact-us>. Any media enquiries should be directed to the National Skills Commission media unit ([media@skillscommission.gov.au](mailto:media@skillscommission.gov.au)).