



**Victorian
Skills Authority**

Snapshot of the Victorian Labour Market 2024



Jobs, Skills,
Industry
and Regions



Key points

Labour market conditions in Victoria remain positive

- The unemployment rate remains low by historical standards.
- The share of people either working or looking for work is at a record high.
- The job vacancy rate has eased since mid-2022.
- Employability skills such as communication and leadership skills are in high demand and are growing in importance.

The Victorian labour market will see high workforce growth in the next 10 years

- Around 392,000 new workers are expected to enter the Victorian workforce by 2027, and 1,421,000 new workers by 2034.
- Health care and social assistance and construction are expected to lead workforce growth over the next 10 years.
- Occupations expected to see high demand include ageing and disability carers, registered nurses, construction managers, primary school teachers, and carpenters and joiners.
- Almost all of the expected demand for workers will be in jobs that require post-secondary qualifications.

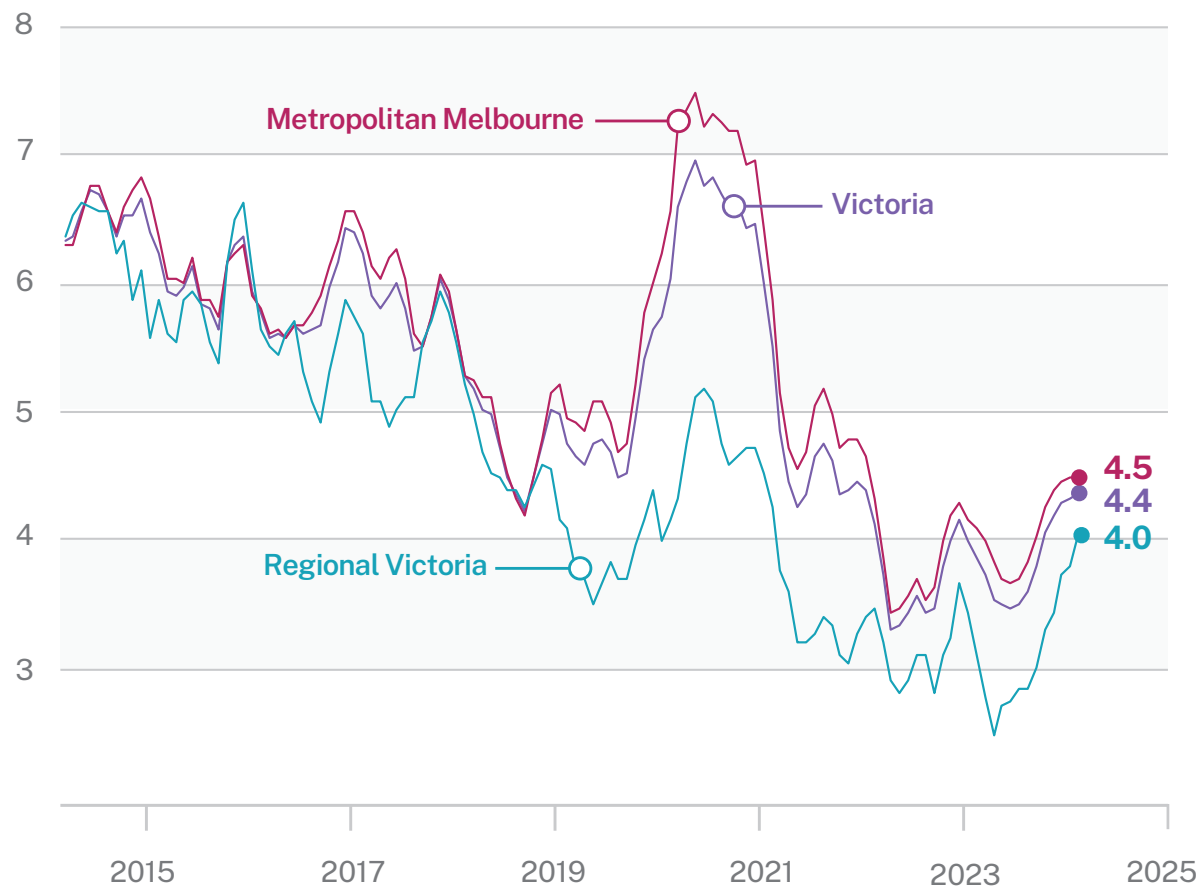
**Labour market
conditions in
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The unemployment rate in Victoria remains low

- The Victorian unemployment rate has increased but remains low by historical standards.
- The unemployment rate in metropolitan Melbourne has increased to 4.5 per cent in June 2024. The unemployment rate for regional Victoria remains historically low at 4 per cent, driven by relatively stronger regional jobs growth over recent years compared with metropolitan Melbourne.

Victorian unemployment rates



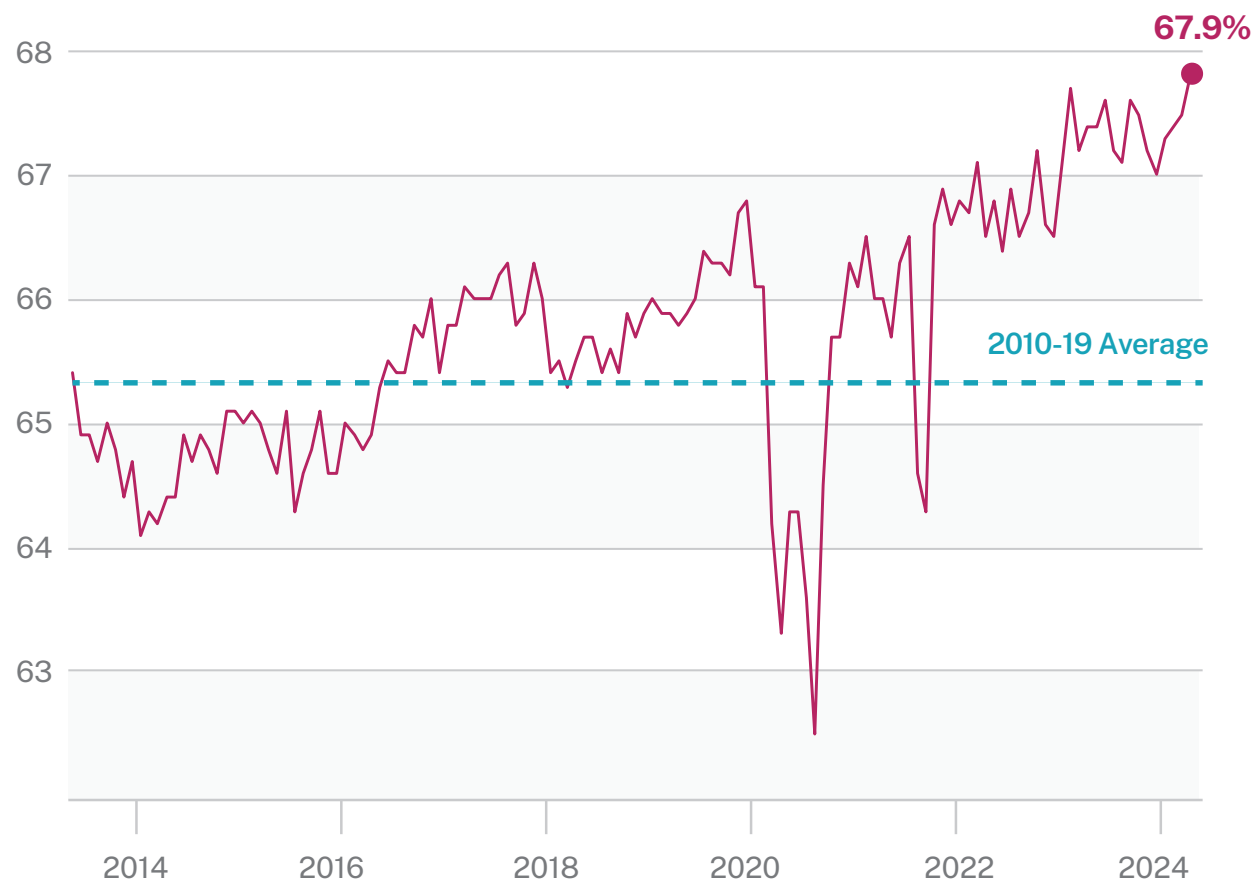
Source: ABS, Labour Force, Australia, Detailed, June 2024.

Note: 3-month ended average of original data for comparison.

Participation in the Victorian workforce is at a record high

- The share of Victorians either working or looking for work (the labour participation rate) is at a record high of 67.9 per cent, and is well above the 2010-19 average.
- The strong labour market, with 3.7 million Victorians in employment, reflects more people participating in the workforce.
- The participation rate for people aged 15-24 remains higher than the Victorian average at 68.5 per cent, as more job opportunities may have encouraged people to work instead of studying full time.

Victorian labour force participation rate

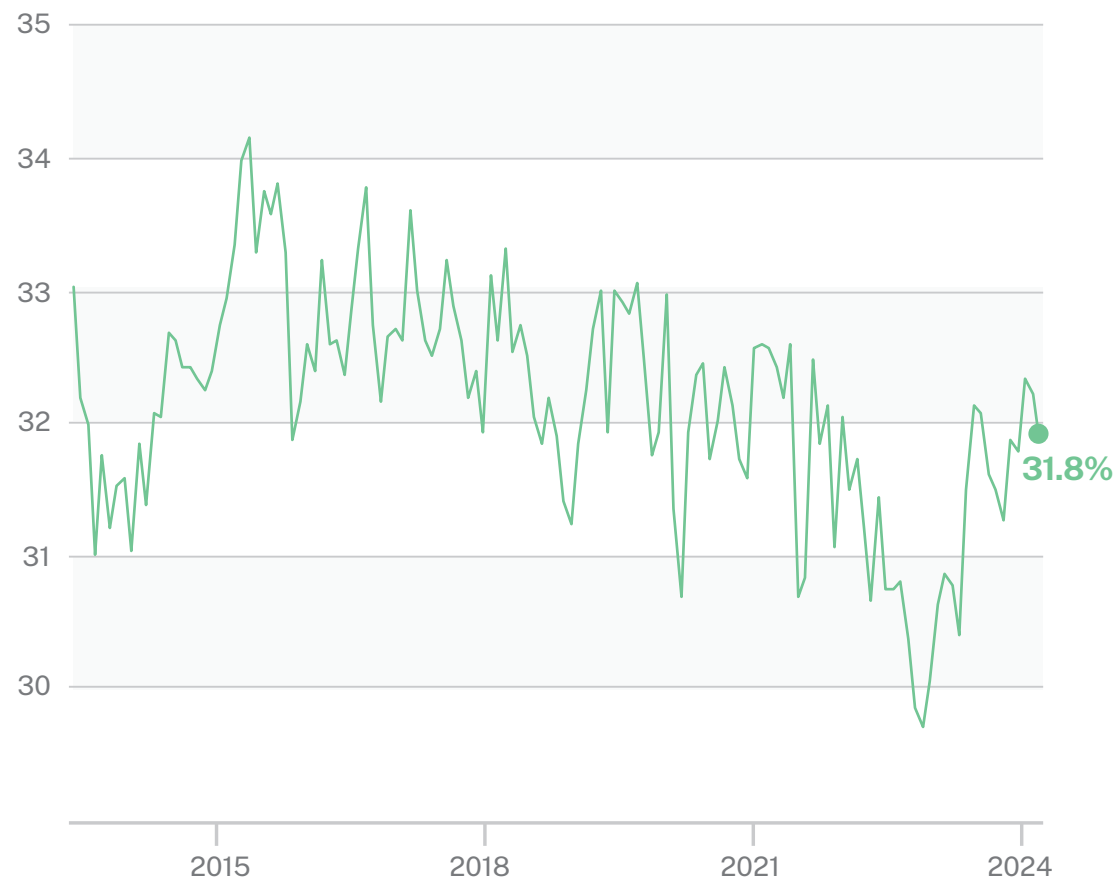


Source: ABS, Labour Force, Australia, June 2024.

The share of Victorians working part time has increased

- While a record 2.6 million Victorians are working full time in June 2024, almost all employment growth since early 2023 has been in part-time jobs.
- The rise in part-time employment indicates a fall in the number of hours worked per person due to easing labour demand.

Part-time share of employment in Victoria

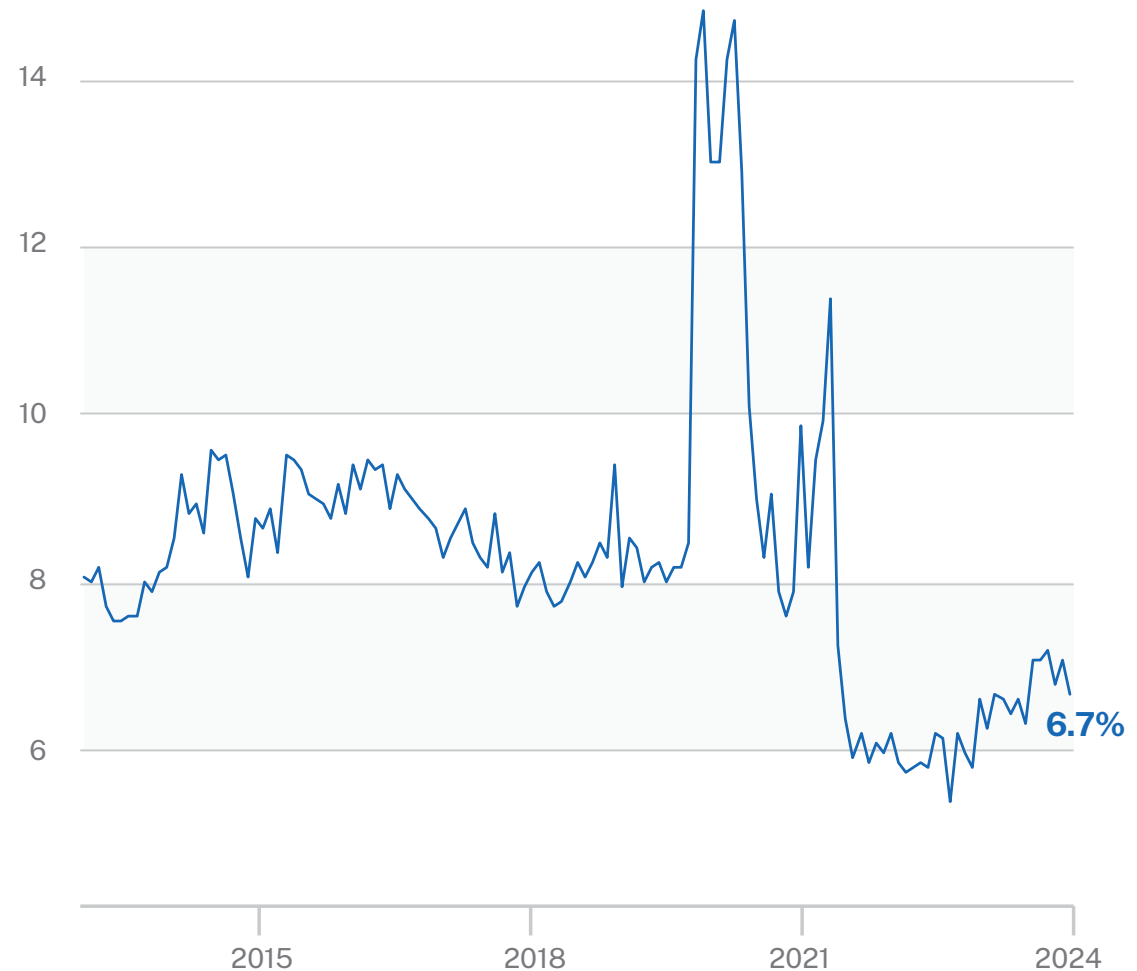


Source: ABS, Labour Force, Australia, June 2024.

The share of Victorians employed but wanting to work more hours remains low but has increased

- Since early 2023, falling average hours worked across the economy has resulted in an increase in the share of people who have jobs but would like to work more hours (the underemployment rate).
- The underemployment rate still remains low by historical standards.
- While the female underemployment rate (at 8.3 per cent) is also low by historical standards, it is higher than the male underemployment rate (5.3 per cent).

Victorian underemployment rate



Source: ABS, Labour Force, Australia, June 2024.

The job vacancy rate has eased

- Job vacancies as a share of the Victorian labour force (the job vacancy rate) has eased in May 2024 to 2.2 per cent but remains relatively high. This reflects slowing but still strong demand for workers.
- With 172,000 Victorians unemployed and 87,000 job vacancies in May 2024, there are now two unemployed Victorians for each vacancy. This is higher than in early 2022 where it was close to one unemployed Victorian for each job vacancy.

Victorian job vacancy rate

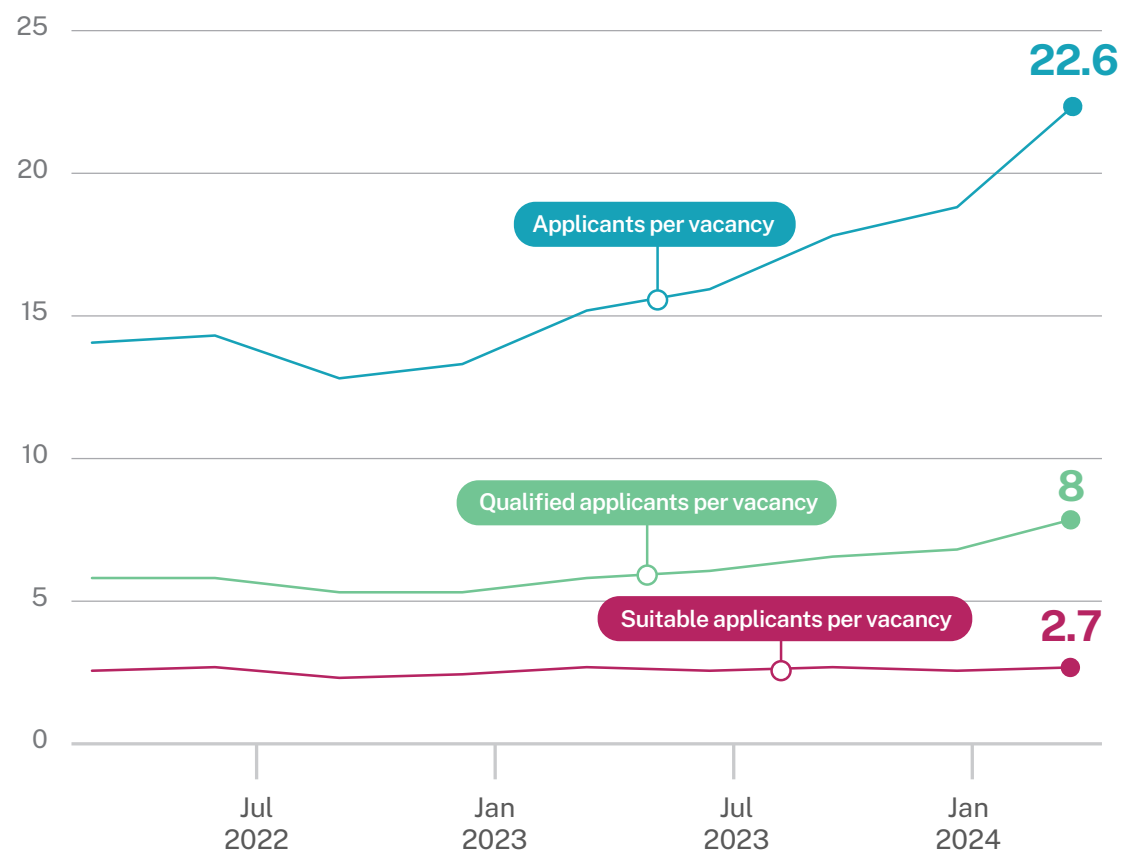


Source: ABS, Job Vacancies, Australia, May 2024; ABS, Labour Force, Australia, June 2024.

The average number of applicants per job vacancy is increasing

- The average number of applicants per job vacancy has increased from 13 in September 2022 to 23 in March 2024.
- However, of the 23 applicants, there were only around 8 qualified applicants and under 3 suitable applicants per vacancy on average, showing that there continues to be challenges finding workers with the right skills.

Applicants per job vacancy

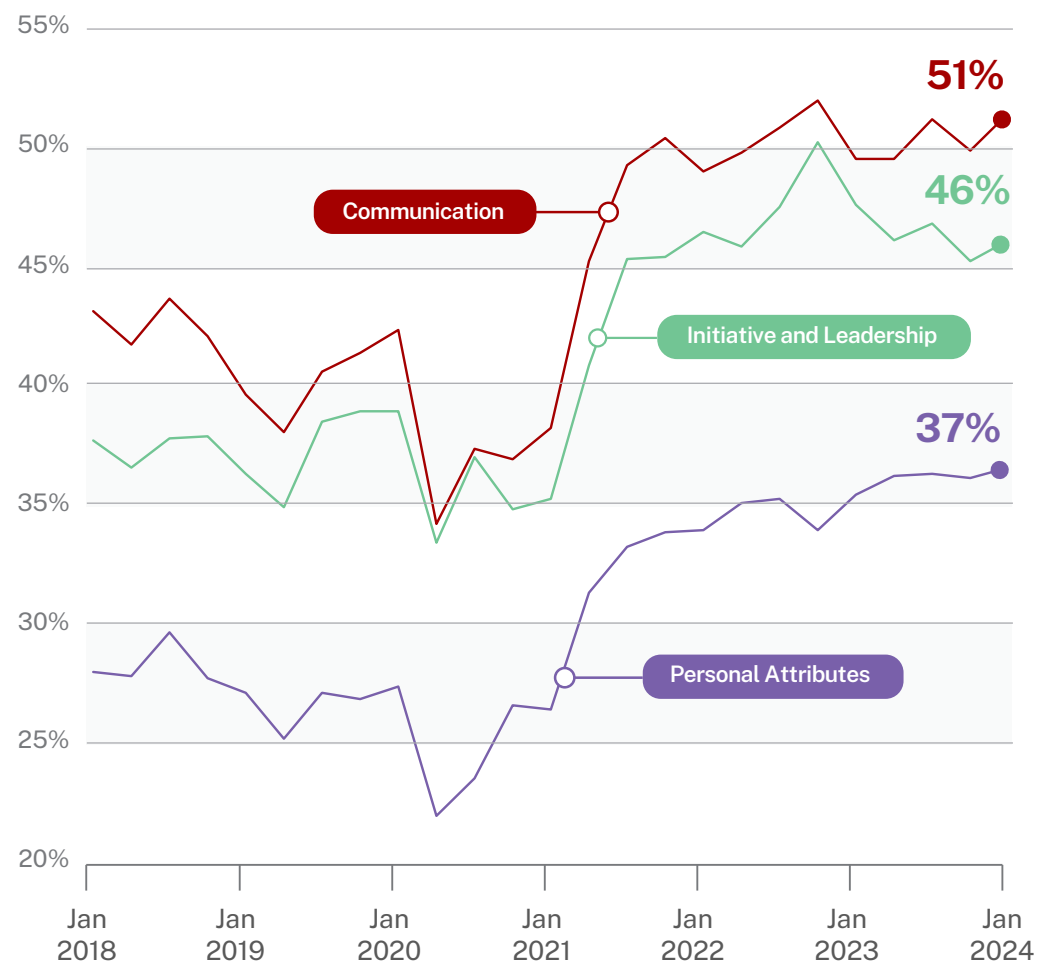


Source: JSA Skills Shortages Quarterly, March 2024. Data for Victoria only.

Employability skills are in high demand and are growing in importance

- Job advertisements are an indicator of the demand for workers and can also show the skills employers are seeking.
- Employability skills such as communication; initiative and leadership; and personal attributes (which includes attitudes and behaviours such as attention to detail, organisational skills, and multi-tasking) are the most in demand skills and have grown in importance since 2018.
- As at January 2024, 51 per cent of online job advertisements requested communication skills, 46 per cent initiative and leadership skills, and 37 per cent personal attributes.
- Other commonly requested skills include business skills such as business management, project management, customer service and general sales practices.

Per cent of job advertisements



Source: Lightcast, 2024.

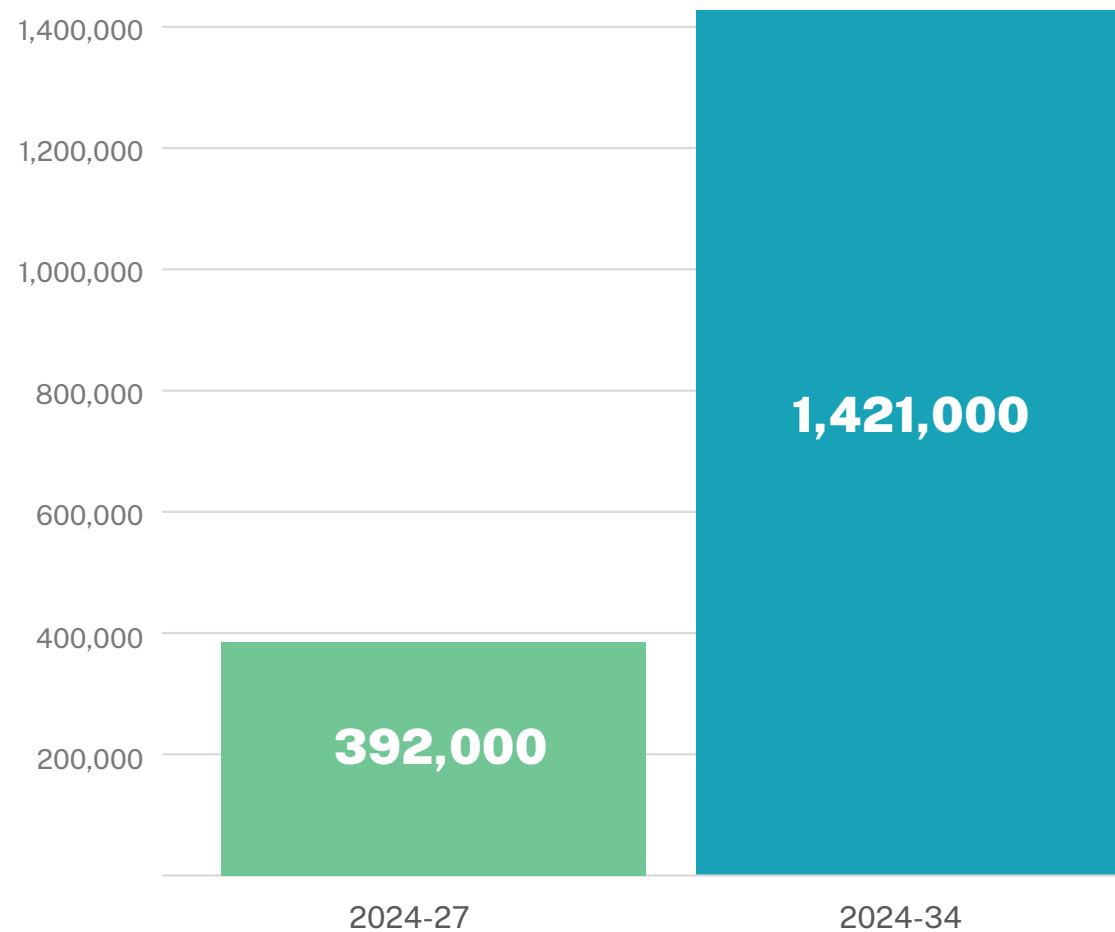
A photograph of three men in a technical workshop. The man on the left, wearing a black cap and safety glasses, is using a screwdriver on a blue motor. The man in the center, wearing safety glasses, is working on a copper coil on a workbench. The man on the right, wearing safety glasses and a dark hoodie with 'BECOME' visible, is holding a multimeter. The background features orange metal frames, electrical panels with fans, and various tools.

**The Victorian
labour market
will see high
workforce growth
in the next 10
years**

Around 392,000 new workers are expected to enter the workforce by 2027, and 1,421,000 by 2034

- The number of new workers expected is calculated as the sum of the number of workers projected to:
 - fill newly created jobs in the economy
 - replace people who retire from the workforce.

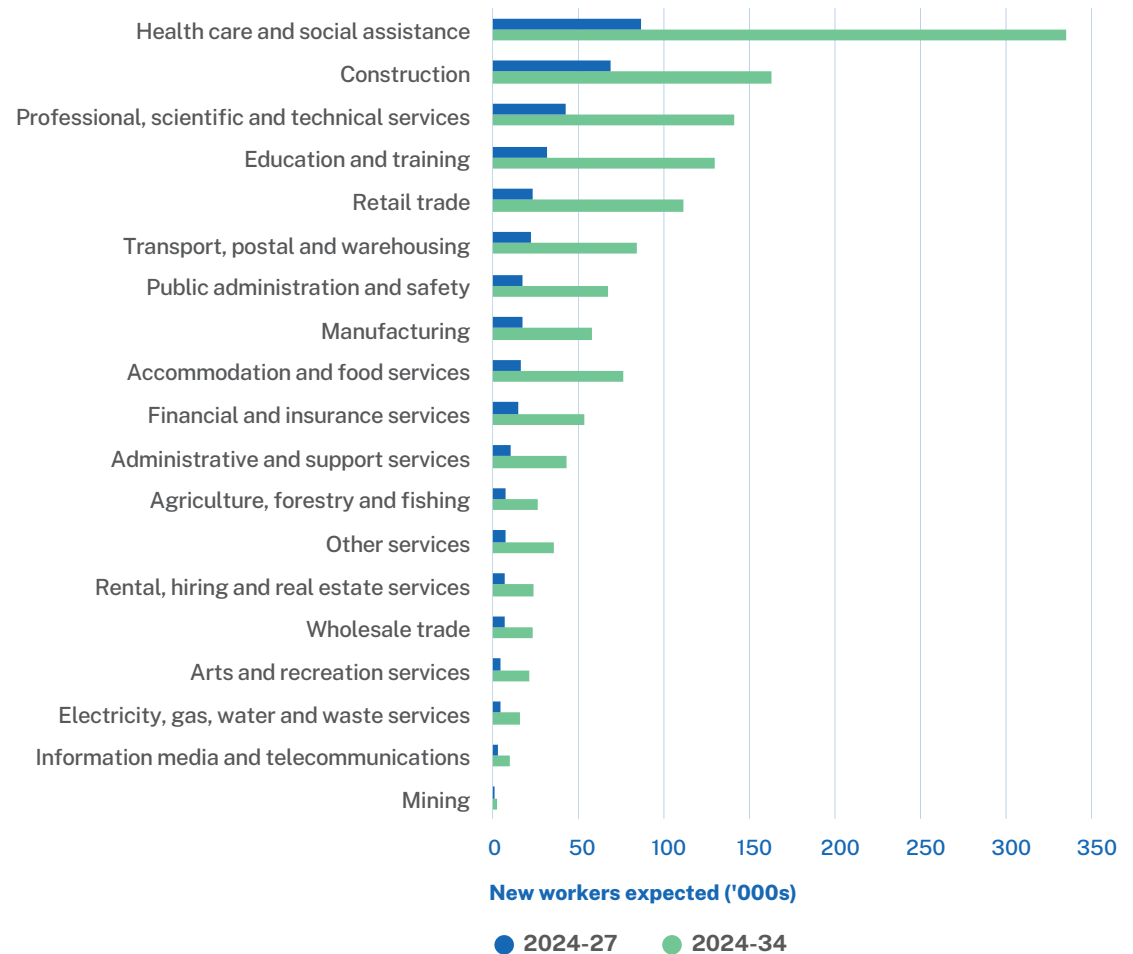
New workers expected



Source: DJSIR and VSA modelling, 2024.

Health care and social assistance and construction are expected to have the most workforce growth over the next three to 10 years

- Growth in **health care and social assistance** is supported by substantial investment by the Commonwealth and Victorian Governments in the public health system, including a record \$13 billion committed in the 2024/25 Victorian Budget to fund hospitals and health services.
- **Construction** is supported by Victoria's infrastructure and housing agenda, such as the *Housing Statement* and the *Big Build*.



Source: DJSIR and VSA modelling, 2024.

About 85 per cent of new workers are expected to gain employment in occupations usually requiring post-secondary qualifications






- Around 180,000 new workers over the next three years are expected in occupations usually requiring a VET qualification.
- This is followed by around 163,000 new workers expected in occupations generally requiring a higher education qualification.



Source: DJSIR and VSA modelling, 2024.

Many growing occupations usually require VET qualifications

- The fastest growing industries in Victoria over 2024-27 (health care and social assistance and construction) usually require VET qualifications for occupations in demand including ageing and disability carers (12,500), and carpenters and joiners (6,100).

Top five industries (2024-27)	Top four occupations (2024-27)			
 Health care and social assistance	Ageing and disability carers* 12,500	Registered nurses 11,100	Receptionists* 4,800	Nursing support and personal care workers* 4,100
 Construction	Construction managers 7,700	Carpenters and joiners* 6,100	Electricians* 4,500	Plumbers* 3,500
 Professional, scientific and technical services	Software and applications programmers 4,100	Accountants 3,400	ICT managers 1,700	Civil engineering professionals 1,700
 Education and training	Primary school teachers 6,500	Secondary school teachers 5,800	Education aides* 2,200	Private tutors and teachers 1,900
 Retail trade	Retail managers* 2,500	Storepersons* 1,200	Motor vehicle and vehicle parts salespersons* 800	Pharmacists 600

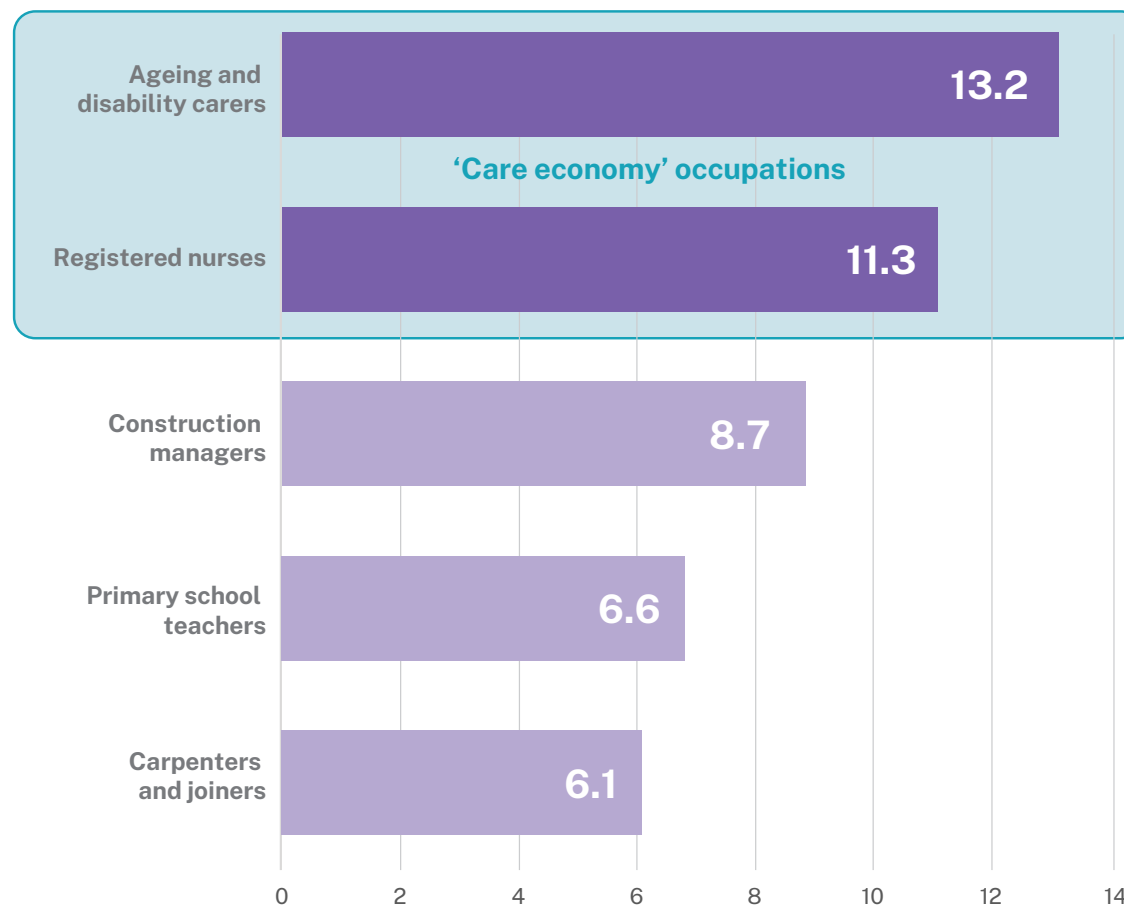
Note: * Designates occupations whose main education and training pathway are aligned with a VET qualification (skill levels 2 to 4).

The numbers in the table represent new workers expected between 2024 and 2027 for the relevant occupation.

Source: DJSIR and VSA modelling, 2024.

Care economy occupations are, and will remain, in high demand

- Around 13,200 ageing and disability carers and 11,300 registered nurses are expected to enter the workforce over the next three years.
- Construction-related occupations are also among the most in-demand occupations, with around 8,700 construction managers and 6,100 carpenters and joiners expected to join the workforce over the same period.



New workers expected ('000s), 2024-27

Source: DJSIR and VSA modelling, 2024.

Around 162,900 new workers are expected in construction over the next 10 years

- The most in-demand occupations in construction include construction managers, carpenters and joiners, electricians, and plumbers.
- These occupations are essential to deliver Victoria's *Housing Statement* and major infrastructure projects.
- Most occupations in demand are aligned with VET, with an apprenticeship as a training pathway.

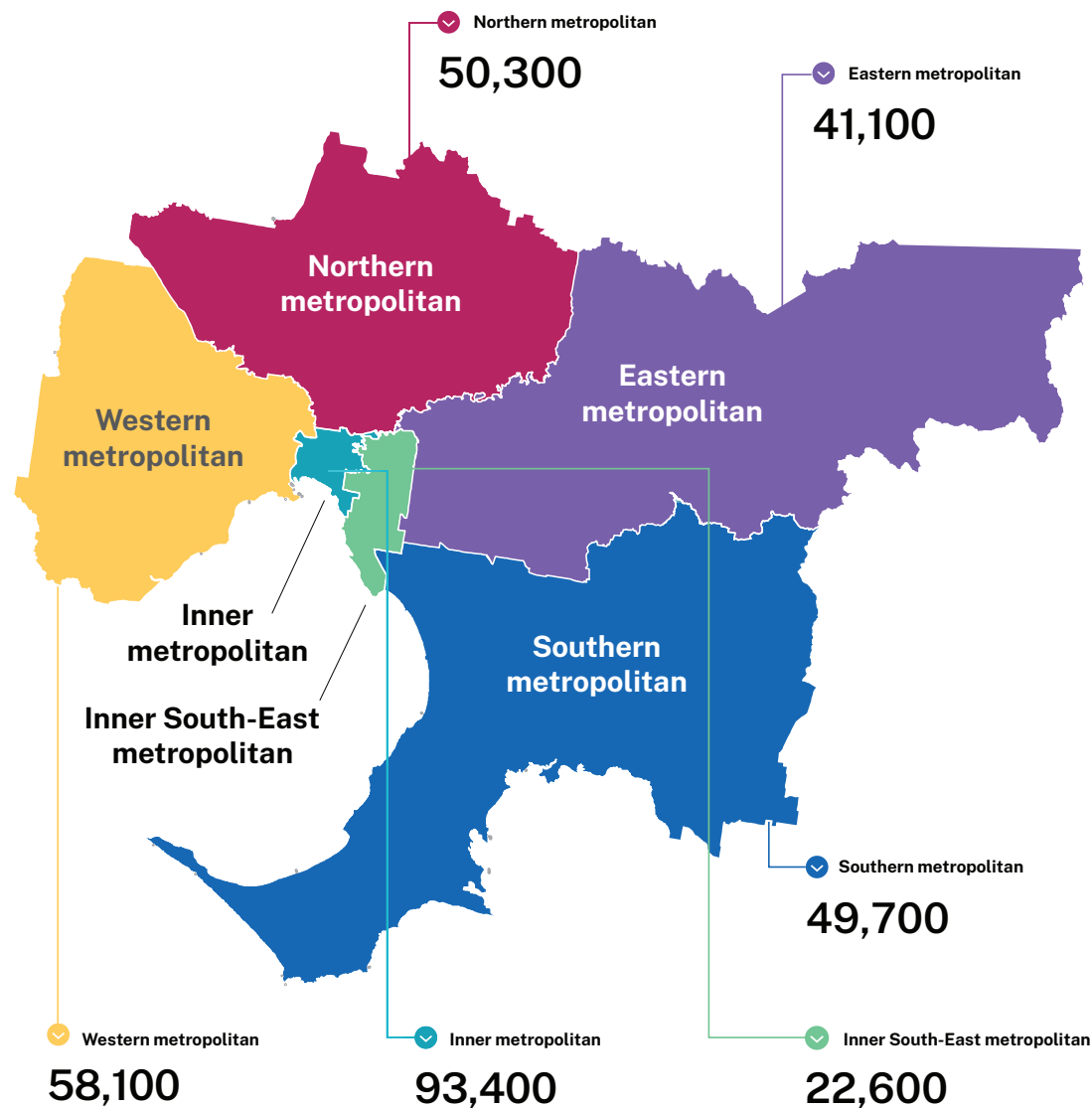
Construction industry subdivisions	New workers expected (2024-34)	Occupations in demand
Building construction (including residential construction)	52,300	<ul style="list-style-type: none"> • Construction managers • Carpenters and joiners* • Architectural, building and surveying technicians* • Building and plumbing labourers
Heavy and civil engineering construction	15,000	<ul style="list-style-type: none"> • Civil engineering professionals • Earthmoving plant operators* • Construction managers • Building and plumbing labourers
Construction services	95,600	<ul style="list-style-type: none"> • Electricians* • Plumbers* • Painting trades workers* • Carpenters and joiners*
Construction	162,900	

Note: * Designates occupations whose main education and training pathway are aligned with a VET qualification (skill levels 2 to 4).

Source: DJSIR and VSA modelling, 2024.

Around four in five new workers are expected to work in metropolitan Melbourne over 2024-27

- The inner metropolitan (93,400 new workers or 29.6 per cent) and western metropolitan (58,100 new workers or 18.4 per cent) areas will account for the highest proportion of new workers expected over 2024-27 across metropolitan Melbourne.
- About 45.2 per cent of new workers expected in metropolitan Melbourne will be in occupations usually requiring VET.



Source: DJSIR and VSA modelling, 2024.

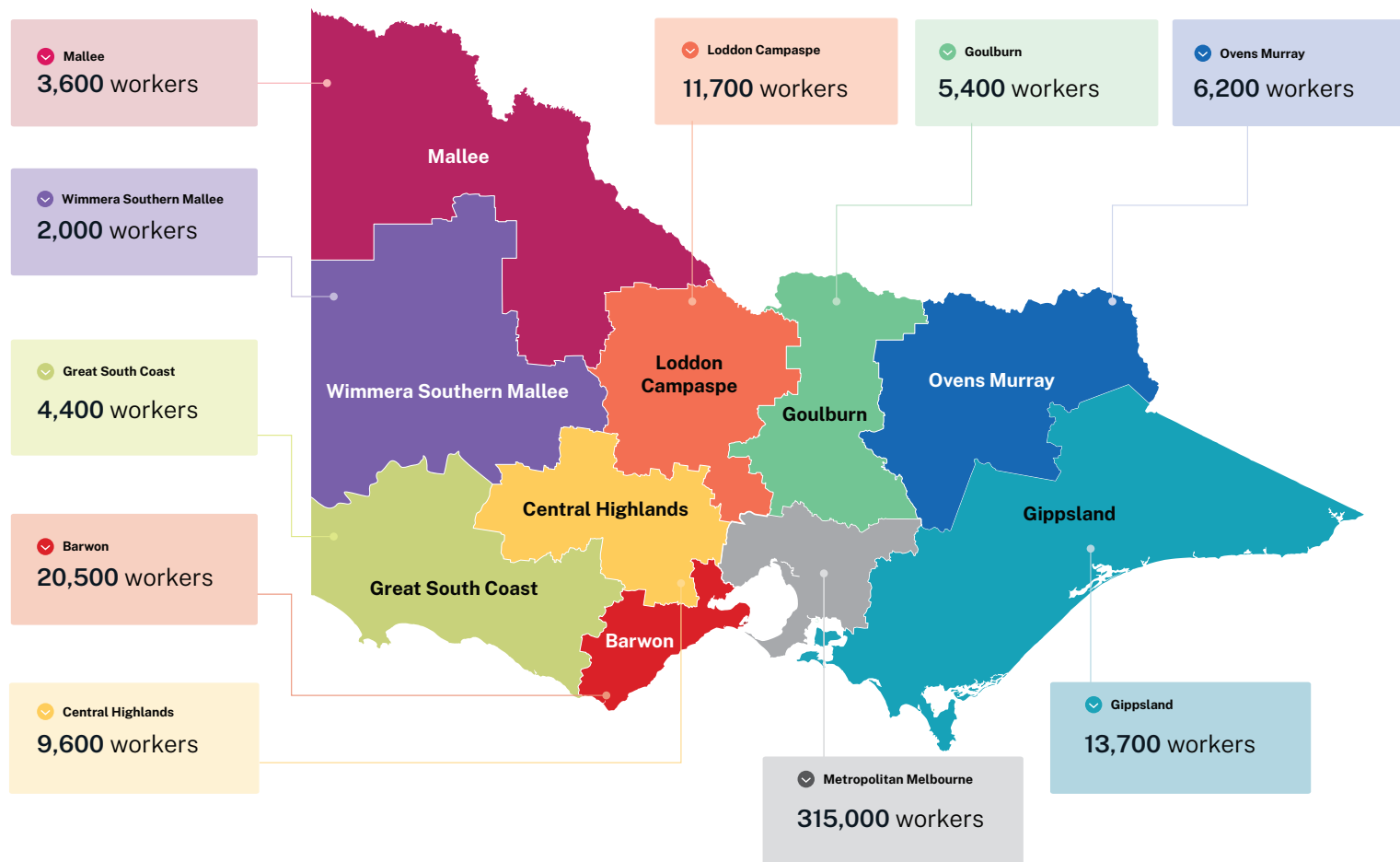
Care economy occupations are in high demand in metropolitan Melbourne

- Care economy occupations feature prominently in the occupations most in demand across metropolitan Melbourne.
- Around 9,000 ageing and disability carers and 8,300 registered nurses are expected to enter the workforce over the next three years.
- Other occupations in demand are in the construction and professional, scientific and technical services industries.

Occupations in demand	New workers expected (2024-27)
Ageing and disability carers	9,000
Registered nurses	8,300
Construction managers	6,900
Accountants	6,100
Software and applications programmers	5,500
All occupations – metropolitan Melbourne	315,000

Source: DJSIR and VSA modelling, 2024.

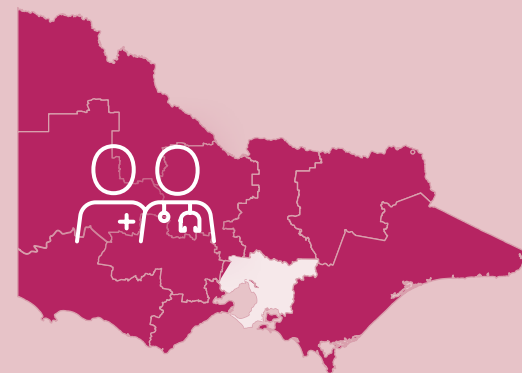
Geelong and the Barwon region will lead workforce growth across regional Victoria over 2024-27



Source: DJSIR and VSA modelling, 2024.

Care economy occupations are also in high demand across regional Victoria

Care economy occupations such as ageing and disability carers and registered nurses are in the top five occupations in demand over 2024-27 across all nine Victorian regions.



Other occupations in demand for specific regions include:



Construction managers

- Barwon
- Great South Coast
- Loddon Campaspe
- Mallee
- Wimmera Southern Mallee



Livestock farmers

- Gippsland
- Goulburn
- Great South Coast
- Ovens Murray

Source: DJSIR and VSA modelling, 2024.



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