



ManpowerGroup®

**UNDER STRICT EMBARGO:
NOT FOR PUBLICATION BEFORE TUESDAY 14 March 2023 (15:01 AEST)**

ManpowerGroup Contact

Josh Goh
Senior Marketing Director
ManpowerGroup, Australia and Singapore
+65 9776 5646
josh.goh@manpowergroup.com.sg

Public Relations Agency Contact

Brett Maguire
BRAW Marketing
+61 420 960 938
brett@brawmarketing.com.au

Strong Labour Markets Expected to Continue in Q2 2023 79% of Employers Experience Difficulty Filing Jobs Due to Skills Shortage

- Healthy hiring activity is anticipated to continue across quarter two, with employers across Australia reporting a Net Employment Outlook of +30%.
- Australia recorded the strongest Net Employment Outlook of all countries in the Asia Pacific Region.
- Australia's Information Technology sector recorded the strongest hiring intention in the world.
- Hiring intentions expected to remain positive across all regions of Australia.
- Four in five Australian employers are currently having either some or a lot of difficulty filling jobs due to a lack of skilled talent.

SYDNEY, AUSTRALIA (14 March 2023) – Australian employers are expected to maintain strong hiring intentions through the second quarter of 2023 amidst a backdrop of continued talent shortages, according to the latest ManpowerGroup Employment Outlook Survey report that is released today.

Of the 1,020 Australian employers surveyed, 44% reported intentions to increase their headcount during the coming quarter, 13% anticipated a decrease while 40% expect no changes to their numbers. The resulting Net Employment Outlook is +30% after seasonal adjustments, weakening by 2 percentage points since last quarter, but strengthening by 3 points since this time last year.

ManpowerGroup Australia Managing Director, Penny O'Reilly says, the latest figures indicate Australian employers are remaining optimistic despite the uncertain economic environment and scarcity of skilled talent.

"While we are seeing some high-profile global organisations decreasing headcount in specific areas of their operations, the majority of Australian businesses are feeling confident and looking to adopt a growth mindset as they head into the second quarter of 2023."

KEY FINDINGS SUMMARY

- **Positive headcount growth anticipated across all sectors:** Organisations in all nine sectors across Australia expect to increase staffing levels in the upcoming quarter, with the strongest hiring outlooks reported in the Information Technology (+56%), Communication Services (+45%), and Industrials & Materials (+35%) sectors.
- **Australia's Information Technology sector recorded the highest Net Employment Outlook across the globe.** Australian Information Technology sector recorded a Net Employment Outlook of +56%, increasing by 18 percentage points since last quarter and 17 percentage points since a year ago.
- **Hiring managers in all eight regions of Australia anticipate increasing staffing levels in the upcoming quarter.** Four Australian regions - Queensland, Northern Territory, Western Australia and Australia Capital Territory – all recorded a Net Employment Outlook of +35%. Victoria was the only region of Australia to weaken, recording a Net Employment Outlook of +26%. This is a decline of 11 percentage points compared to last quarter and eight percentage points compared to last year.
- **Medium-sized organisations are the most optimistic.** Medium-sized organisations recorded a Net Employment Outlook of +38%, an increase of 2 percentage points since last quarter and 3 percentage points since a year ago.

"The Australian Information Technology sector continues to be the standout performer, not only for the Australian employment market but the global employment market. Competition for talent in the Information Technology sector is already at historical highs and these figures suggest that will remain the case for quite some time."

"The Australian SME market was impacted particularly hard through the pandemic. It is encouraging to see strong levels of optimism return within medium-sized organisations," Ms O'Reilly said.

TALENT SHORTAGE

The latest ManpowerGroup Employment Outlook Survey report also revealed four in five Australian employees are currently having either some or a lot of difficulty filling jobs due to a lack of skilled talent.

Specifically, Australian businesses identified IT/Data Base skills (24%) as the most difficult skills to find followed by Front Office/Customer Facing skills (20%) and Sales/Marketing skills (19%).

The report also indicated large employees (250+ employees) are having the hardest time with 83% reporting some or a lot of difficulty filling jobs due to lack of skilled talent, whereas just 73% of small organisations (10-49 employees) are having difficulty filling jobs due to lack of skilled talent

"The chronic shortage of skilled talent in the Australian market is one of the biggest issues facing local employers right now."

“Australian employers cannot simply wait for the talent shortage to fix itself. Employers must shift their thinking towards up-skilling and re-skilling the talent they have, in order to build the talent they need.” Ms O’Reilly said.

HIRING OUTLOOK IN ASIA PACIFIC

Hiring managers across APAC anticipate strong hiring intentions (+27%), improving by 2 percentage points when compared to the previous quarter but weakening slightly by 1 percentage point year-over-year. The strongest labour markets are expected from Australia (+30%), Hong Kong (+30%), and India (+30%) while the weakest outlooks are forecast to be Taiwan (+9%) and Japan (+10%).

The only region reporting an increase in hiring intentions from Q1, perhaps due to the reopening of trade and travel in mainland China, with its economy beginning to recover. This has affected the rest of the region with rebounding consumer demand and travel.

Strongest hiring intentions globally for the Communications Services sector are found in Hong Kong (81%) and Information Technology in Australia (56%).

To view complete results for the ManpowerGroup Employment Outlook Survey, visit: www.manpowergroup.com.au/meos. The next survey will be released on 13 June 2023 and will report hiring expectations for the third quarter of the year.

###

ABOUT THE SURVEY

The ManpowerGroup Employment Outlook Survey is the most comprehensive, forward-looking employment survey of its kind, used globally as a key economic indicator. The Net Employment Outlook is derived by taking the percentage of employers anticipating an increase in hiring activity and subtracting from this the percentage of employers expecting a decrease in hiring activity.

ABOUT MANPOWERGROUP

ManpowerGroup® (NYSE: MAN), the leading global workforce solutions company, helps organisations transform in a fast-changing world of work by sourcing, assessing, developing, and managing the talent that enables them to win. We develop innovative solutions for hundreds of thousands of organisations every year, providing them with skilled talent while finding meaningful, sustainable employment for millions of people across a wide range of industries and skills. Our expert family of brands – Manpower, Experis, and Talent Solutions – creates substantially more value for candidates and clients across more than 75 countries and territories and has done so for 75 years. We are recognised consistently for our diversity – as a best place to work for Women, Inclusion, Equality, and Disability, and in 2023 ManpowerGroup was named one of the World's Most Ethical Companies for the 14th year – all confirming our position as the brand of choice for in-demand talent.