



10/09/2024

Current demand for engineering skills bucks labour market trend

Insights from the latest [Engineering Labour Market Overview](#) by Engineers Australia shows demand for engineers holding steady despite market shifts:

Vacancies:

- 2024 Engineering vacancies are 16.8% above the January 2006 indexed level.
- Six-month decline to March 2024 due to migration return, government project changes, and recruitment efforts.
- March 2024 saw a 10% rise in vacancies, followed by slight declines in April and May.
- Engineering vacancies are 4.5% higher than the Australian total, but 18% lower than other professions.
- 6,293 engineering vacancies recorded in May 2024, with Civil Engineers comprising 39.7% of all ads.
- Higher vacancy rates in ACT, Tasmania, and WA, with declines elsewhere except ACT in recent months.

Engineering construction activity:

- Value of engineering construction reduced 27% from its 2022 peak to \$25.1 billion in March 2024.
- Stable pipeline with \$130.6 billion of work yet to commence (8% rise from March 2023).
- Key sectors: roads/highways (28.2%), oil/gas/minerals (14.7%), electricity (12.4%), telecommunications (8.1%).
- 88% of commenced work concentrated in NSW, QLD, VIC, WA.

Migration:

- Permanent migration for engineers surged 70.8% in 2023 compared to 2022.
- Temporary skilled migrant engineers increased by 34.8%, surpassing pre-COVID levels.
- Migrant engineers alleviating workforce shortages.

Salary trends:

- Average salary for engineers is \$118,232, with a 15.1% gender pay gap.
- Strong wage growth in high-demand areas like maintenance, reliability, and leadership roles.

Turnover, retention, and attrition:

- 50% of engineering employers reported voluntary turnover between 10-20%.
- 49% of engineers surveyed plan to stay with their current employer.
- Approximately 5,000 engineers retire annually.

Demand profile – skills, disciplines, experience:

- High demand for mid-career and senior engineers in sectors like mining, energy, clean energy, construction and transport.
- Key skills in demand: digital engineering, data analytics, cybersecurity, sustainability, leadership.

Outlook:

- Short-term pipeline uncertainty in sectors like commercial buildings, rail, and roads.
- Elevated demand for engineers in the electricity sector through 2030, easing by 2035.
- Long-term strong demand for engineers driven by clean energy transition, population growth, and government investment.

Quotes: Engineers Australia Acting Chief Engineer Bernadette Foley

"Engineering demand is holding steady despite market shifts. Job vacancies are still 16.8% higher than pre-COVID levels, with demand staying strong in key sectors like construction and infrastructure despite recent bumps caused by post-pandemic migration, supply chain issues, and public sector slowdowns."

"Skilled migration has been a game changer for the engineering sector, with permanent settlements jumping by over 70% from 2022 to 2023. It's filling critical gaps left by COVID-era shortages, and temporary visas are adding to the mix."

Engineers Australia

Media Release



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10/09/2024

"Regions continue to feel the strain in engineering talent shortages. Vacancies are high across the country, but some areas—like the ACT, Tasmania, and WA—are feeling the pinch even more. These hotspots highlight the need for targeted solutions to balance the talent gap."

"The post-covid slowdown has hit engineering construction. After the boom of 2022 the industry has pulled back, with a 27% drop in new projects by March 2024. The cooling reflects the end of COVID stimulus spending, shifting the focus towards more stable demand."

"Engineering salaries are climbing amid market competition. Wages are rising, especially in fields like maintenance, reliability, and leadership, as the competition for engineering talent heats up. But companies are still struggling with turnover as engineers chase better pay and career prospects."

"Clean energy and infrastructure will drive future skills demand. As Australia pushes towards decarbonisation, demand for engineers with skills in digital technology, sustainability, and leadership will surge. The clean energy transition and infrastructure projects are set to keep the profession thriving long-term."

"The short-term project pipeline faces uncertainty. While there's plenty of work now, the next six months could see gaps in sectors like commercial buildings, rail, and roads. Businesses are gearing up for a slowdown, highlighting the need for strategic planning to bridge potential downturns."

"Engineering remains the key to Australia's net-zero goals. Our ambitious 2050 decarbonisation targets ensure long-term demand for engineers, particularly in the electricity and infrastructure sectors. The profession's role will be crucial in driving national growth and sustainability efforts."

Ends.

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