

## Labour market data

This fact sheet has been developed as a complementary resource for agencies in the NSW Government sector when undertaking strategic workforce planning.

The document in particular will assist you with the [Compare stage](#) of the [Strategic Workforce Planning Framework](#) by providing an overview of key labour market data and links to those resources.

Keeping up with the ever-changing labour market is an integral part of the strategic workforce planning process and is essential for making decisions about your agency's workforce.

A labour market analysis will help you understand the rapidly changing nature of work and the impact of market trends on your workforce, industry, sector, and region.

To conduct a labour market analysis, you should begin by looking at the internal and external environment of your agency, to identify workforce supply and demand. Gathering data and information to identify internal and external supply and demand are key aspects of a labour market analysis.

## Internal supply

Internal supply refers to the [workforce capacity](#) and [capabilities](#) you currently have in your organisation. An internal supply analysis will help you understand your current workforce composition and highlight workforce gaps.

To analyse your current internal workforce supply, you will need employee and [recruitment data, including](#) information on [workforce demographics](#), your organisation's structure, and if available, the outcome of a capabilities audit highlighting the skills and experience, education and training, licences and qualifications of your workforce.



### Labour market analysis

A labour market analysis is conducted in the [Compare](#) stage of the [Strategic Workforce Planning Framework](#) (the Framework). A labour market analysis provides insights on market trends, occupations and positions, and workforce shortages. When complemented with workforce analytics, a labour market analysis will help you understand your current workforce composition and future workforce requirements.

### Strategic Workforce Planning Framework

The [Framework](#) has been developed to assist agencies across the NSW Government sector to better understand and prepare for their future workforce needs. The goal of the [Compare](#) stage in the [Framework](#) is to identify different work and workforce scenarios to deliver organisational goals, and the estimated cost of each scenario.



## External supply

External supply, also called labour supply, refers to the external availability of staff that can join your organisation. To assess how critical your current workforce gaps are and how to close them, you should identify the external availability of capabilities your organisation needs to determine whether they are in short supply.

To identify the current external supply, you will need to refer to labour market data and consult line managers in your organisation and those who recruit for your organisation (including internal and external recruiters).



### Workforce supply strategies

To address surge considerations and seasonality of workforce supply, refer to the [Assignment, Transfers and Secondment Guidelines](#) and [Recruitment and Selection Guide](#) which provides guidance on how to mobilise and rapidly deploy staff.

To identify workforce supply strategies other than the use of contingent labour, refer to the [Contingent Workforce Management Guidelines \(Section 5.3\)](#).

To identify the [types of flexible working](#) available and [ways to implement](#), refer to the [Flexible Working](#) pages on the PSC's website which contains information, advice and guidance on best practice.

## Internal demand

Internal demand refers to the workforce your organisation needs to meet its legislative and/or operational functions to deliver its objectives now and into the future. To identify current workforce demand, you need to understand your organisation's strategic direction, vision, and goals. This information can be found in your agency's:

- strategic plan
- business plan
- vision statement
- executive priorities
- budget forecasts
- organisational restructure plans
- new programs of work plans
- new technology planned for introduction within the agency
- organisational performance
- customer feedback.

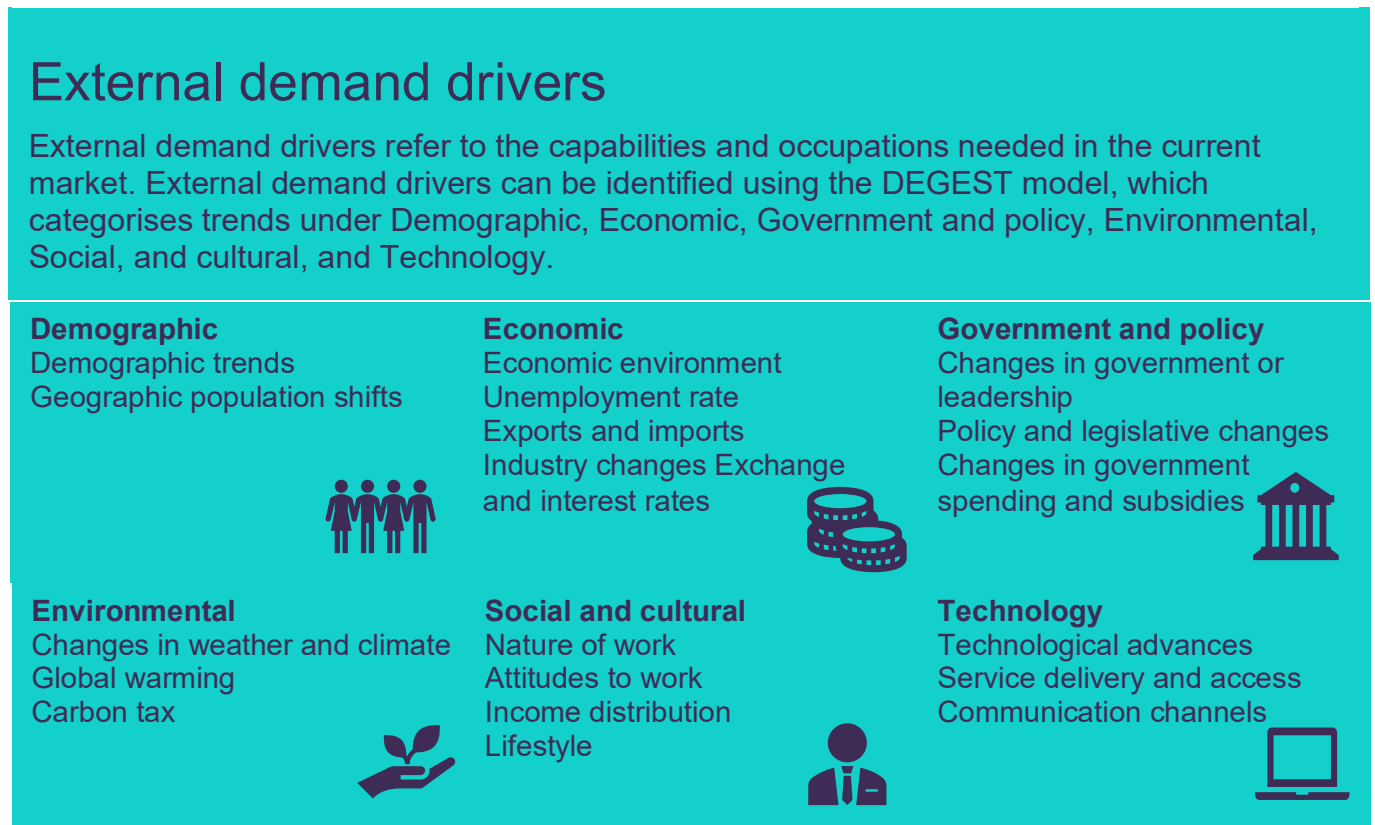
Once you assess your current workforce demand, you need to understand how this may change to meet the future business needs of your organisation.

## External demand

External demand refers to the capabilities and occupations needed in the current market, which are impacted by external demand drivers. These demand drivers can be trends, events or changes that may have an impact on the workforce and include demographic, economic, government and policy, environmental, social, and cultural, and technological factors.

An example of an external demand driver is rapid technological advance. Technological advances are encouraging growth and increasing the demand for Cybersecurity Specialists, Artificial Intelligence Specialists and Development-Operations Engineers. For more information on external demand drivers, refer to **Figure 1: External demand drivers below**.

**Figure 1: External demand drivers**



To identify external demand drivers, you can refer to relevant news articles, books, government, industry, and research publications that identify trends and their implications on your organisation's workforce.

Below are some recommended resources to help you identify drivers influencing external demand:

- The [Organisation for Economic Cooperation and Development](#) (OECD) is an international organisation that aims to find evidence-based solutions to a range of social, economic, and environmental challenges. The OECD publishes statistics and reports such as the [OECD Economic Outlook](#) report which highlights trends occurring at the global and regional levels.
- The [Economist](#) is a paid subscription-based newspaper that provides insight and opinion on international news, politics, economy, business, technology, and science.
- The U.S. National Intelligence Council publishes the [Global Trends Report](#) every four years, outlining trends and factors relating to globalisation, economics, demographics and the environment. The report also present fictionalised scenarios that could potentially emerge.
- The [World Economic Forum](#) produces [reports](#) and [whitepapers](#) and is a platform where business, government, civil society and other stakeholders work collaboratively to address critical global issues.



### Future workforce demand

To forecast **future workforce demand**, you will need to understand internal and external demand drivers, undertake **scenario planning**, identify plausible future scenarios and assess their impact on the workforce.

## Suggested sources of labour market data

Below are some recommended external resources that have been categorised into:

- Past and current workforce profiles
- Future occupation projections
- Capabilities by occupation
- Occupational skills shortages

### Past and current workforce profiles

The following resources provide information on past and current workforce profiles:

- 1 The [NSW Public Service Commission](#) (PSC) provides insights and analytics on the NSW public sector workforce. The [Workforce Profile Report](#) lists demographic and employment information within the sector. It provides insights into social and economic trends and the composition of the sector's workforce. The [State of the NSW Public Sector Report](#) assesses the performance, achievements, challenges and priorities of the NSW public sector. The PSC also provides [additional resources to inform strategic workforce planning and organisational change](#).
- 2 The [Australian Bureau of Statistics](#) (ABS) provides labour market data which can be linked to the Australian and New Zealand Standard Classification of Occupations (ANZSCO). The ABS has an online tool called [TableBuilder](#) and [TableBuilder Pro](#) which allows users to analyse employment, income and education data by geographical area and create tables, graphs and maps of census data.
- 3 The [Australian Jobs Report](#) is published by the [National Skills Commission](#) (NSC) on an annual basis. The report provides a point in time overview of trends in the Australian labour market, outlines

opportunities and provides an analysis of the employment and workforce education profile across industries, occupations and locations. The report also highlights labour market outcomes by level and type of education attainment, and information on Vocational Education and Training (VET) and Higher Education enrolments by field of education.

- 4 [Data.gov.au](#) is a central source of Australian open government data, published by federal, state and local government agencies. In addition to government data, [Data.gov.au](#) also holds publicly funded research data and datasets from private institutions.
- 5 [Burning Glass Technologies](#) is a paid subscription-based analytics software company that provides real-time labour market data through its [Labor Insight](#) tool, identifying new and emerging skills, skill shortages, and graduate career outcomes through its [Alumni Analysis](#) dashboard.

### Future occupation projections

The following resources provide forecasts and projections on occupations:

- 1 The [Labour Market Information Portal](#) (LMIP) brings together data from a range of official sources and provides [employment projections](#) by industry, occupation, skill and region. LMIP also offers [employers' recruitment insights](#) and [information on vacancies](#).
- 2 [Job Outlook](#) is an initiative of the [National Skills Commission](#). Job Outlook provides information about Australian job profiles, labour market trends, and employment projections.
- 3 [Faethm](#) is a paid subscription-based global analytics platform and forward-looking scenario tool that uses machine and deep learning to model the impact of emerging technologies on any economy, industry, organisation or job.

Faethm assesses the implications of [automation](#) and [augmentation](#) at a job and technology level, and highlights workforce impacts, opportunities and potential pathways.

## Capabilities by occupation

The following resources provide information on occupations and the capabilities required:

- 1 [NSW Public Sector Capability Framework](#) provides specific capability sets that describe capabilities for professional, technical or trade-related roles. The Framework provides a foundation for:
  - standardised role design and role descriptions
  - recruitment practices
  - performance development practices
  - mobility
  - learning and development activities
  - career planning conversations and activities
  - workforce planning.

The PSC also provides [occupation specific capability sets](#) that has been designed to be used in conjunction with the [NSW Public Sector Capability Framework](#) to provide a fuller description of the capabilities required to perform in particular professional roles.

- 2 The [O\\*Net](#) (Occupational Information Network) [Database](#) is a free database that contains standardised and occupation specific descriptors. O\*Net contains information including the tasks and activities, knowledge and skills, experience and education, wages and employment trends of certain occupations.

## Workforce shortages

- 1 The [Department of Education, Skills and Employment \(DESE\)](#) carries out research to identify skill shortages in the

Australian labour market. The results of its research are available [here](#).

- 2 The [National Skills Commission \(NSC\)](#) carries out research on workforce shortages by [occupation](#) and at the [state, territory and national level](#). The NSC also provides a [historical list of skill shortages](#) in Australia.

## Graduate outcomes

- 1 The [Graduate Outcomes Survey \(GOS\)](#) is funded by the [Department of Education, Skills and Employment \(DESE\)](#) and is completed by graduates of Australia higher education institutions approximately four months after completion of their course. The GOS provides information on the labour market outcomes and further study activities of graduates.

## Terms and definitions

The following terms listed in alphabetical order below are used throughout this fact sheet.

Term	Definition
<b>Automation</b>	The use of technologies to operate automatically and undertake components of a job or replace a job once performed by a human being. This may cause a need to redefine jobs, redeploy employees or identify areas for reskilling or upskilling.
<b>Augmentation</b>	The use of technologies to enhance components of a job which provides employees with more capacity to undertake higher value work.
<b>Capability</b>	Capabilities are the transferable knowledge (theoretical or practical understanding of a subject), skills (proficiencies developed through training, experience, or practice), and abilities (qualities of being able to do something) relevant to a role. <i>Refer to <a href="#">The NSW Public Sector Capability Framework</a>.</i>
<b>Capability audit</b>	A capability audit identifies the capabilities of your current workforce which includes: <ul style="list-style-type: none"> <li>▪ education and training</li> <li>▪ capabilities and experience</li> <li>▪ licences and certificates</li> </ul> A capability audit allows you to assess your organisation’s strengths and weaknesses and determine whether your organisation has the capabilities it needs to deliver its objectives now and into the future.
<b>Environmental scan</b>	An examination of factors occurring at the micro, meso and macro level, to understand the internal and external environment of an organisation.
<b>Organisational structure</b>	An organisational structure is a system that outlines the roles, relationship of roles, responsibilities, and supervision of the employees of an organisation.  It is usually outlined in an organisation chart that contains data including: <ul style="list-style-type: none"> <li>▪ position title</li> <li>▪ position number</li> <li>▪ vacant positions</li> <li>▪ reporting structure</li> <li>▪ Department/agency name</li> <li>▪ employee name.</li> </ul>



<b>Recruitment data</b>	<p>Recruitment data includes:</p> <ul style="list-style-type: none"> <li>▪ recruitment costs</li> <li>▪ number of qualified candidates per position</li> <li>▪ time to fill vacant positions</li> <li>▪ talent pool information</li> <li>▪ internal and external mobility</li> <li>▪ turnover rates.</li> </ul>
<b>Scenario planning</b>	<p>Scenario planning is an exercise that involves creating future scenarios for the organisation. The external demand drivers identified through environmental scanning contributes to the process of exploring plausible future scenarios that have a high impact and high level of uncertainty.</p>
<b>Strategic workforce planning</b>	<p>Strategic workforce planning is about understanding and proactively preparing for changes that may impact the workforce. Strategic workforce planning is defined as longer-term planning – often covering a 3 to 5-year period.  <i>Refer to the <a href="#">Strategic Workforce Planning Framework</a></i></p>
<b>Workforce capacity</b>	<p>Workforce capacity refers to your organisation’s ability to ensure its staffing levels sufficiently meets work requirements, processes, and the organisation’s business objectives.</p>
<b>Workforce demographics</b>	<p>Workforce demographic data includes:</p> <ul style="list-style-type: none"> <li>▪ full-time equivalent (FTE)</li> <li>▪ headcount</li> <li>▪ age profile</li> <li>▪ gender profile</li> <li>▪ classification</li> <li>▪ location breakdown</li> <li>▪ finance data (budgeted versus actual FTE)</li> <li>▪ employment type (ongoing, non-ongoing, contract)</li> <li>▪ employment status (full time, part time)</li> <li>▪ workforce diversity including representation of people with a disability and people from culturally and linguistically diverse backgrounds</li> <li>▪ tenure.</li> </ul>
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## About this fact sheet

For enquiries about labour market data or strategic workforce planning, contact the NSW Public Service Commission at [swp@psc.nsw.gov.au](mailto:swp@psc.nsw.gov.au) or visit [www.psc.nsw.gov.au/](http://www.psc.nsw.gov.au/)