FUTURE SKILLS ORGANISATION
Finance Technology Business

Workforce Plan 2025

Business Industry Report

Future Skills Organisation

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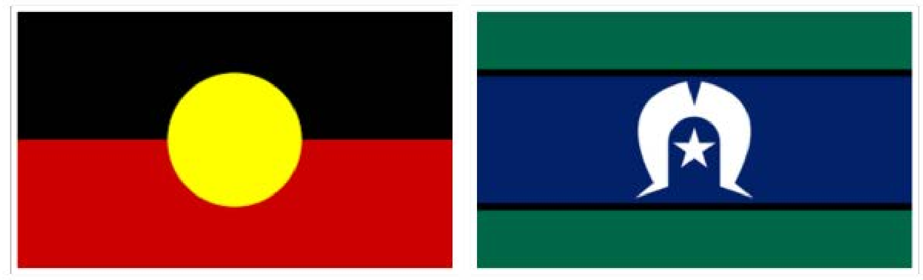
Acknowledgement of Country

We acknowledge the traditional custodians of the land on which we work and pay our respects to elders past and present.



2025 Workforce and Industry Trends

Navigating the Future of Australian Business

This Workforce Plan builds upon the strong foundation established by Initial Workforce Plan (IWP) and the 2024 Workforce Plan: Agenda for Action (WFP24), both of which were based on ABS 2021 Census data. WFP24 marked a significant shift by transitioning from an occupation-based approach to an industry-centred perspective, setting the stage for our current update.

In this Plan, Future Skills Organisation (FSO) integrates both industry and occupational lenses to provide a more comprehensive view of Australia's business workforce (Figure 1). This is critical as FSO supports one of the most horizontally structured workforces across industries.

An industry lens encompasses a range of job roles facilitating business operations across Professional, Scientific and Technical Services and Administrative and Support Services sectors, when considering workforce trends and projections. However, businesses that primarily deliver 'business services' also employ workers from other areas, such as technology and finance professionals.

As such, this Plan also considers an occupational lens, which refers to the workforce of people across the economy working primarily in job roles defined as finance occupations, including, Solicitors, Human Resource Professionals, and General Managers for example. By employing both an industry lens and an occupational lens, we can develop a deeper view of the business workforce, trends, and projections.

Industry versus Occupational Lens of Finance, Technology, and Business Workforces

Industry Lens

Direct Finance Industries

- Finance (including Banking)
- Insurance and Superannuation Funds
- Auxiliary Finance and Insurance Services
- Accounting
- Credit Reporting and Debt Collection

Direct Tech Industries

- Publishing (excluding Internet and Music Publishing)
- Telecommunications Services
- Internet Service Providers, Web Search Portals and Data Processing Services
- Library and Other Information Services
- Computer System Design and Related Services

Direct Business Industries

- Professional, Scientific and Technical Services
- Administrative and Support Services

Non-FTB Industries

All other industries across the economy.

For example:

- Agriculture and Forestry
- Manufacturing
- Health Care and Social Assistance

Occupation Lens

Direct Finance Industries	Direct Tech Industries	Direct Business Industries	Non-FTB Industries
Finance Occupations	Tech Occupations	Business Occupations	FTB Occupations within Non-FTB Industries
Non-Finance Occupations	Non-Tech Occupations	Non-Business Occupations	

Figure 1: Industry versus Occupational View of Finance, Technology and Business

Working in close collaboration with Jobs and Skills Australia (JSA), we have developed a methodology that aligns the 2021 ABS Census data with more recent figures from the ABS Labour Force Survey. This approach enables us to project insights from the ABS 2021 Census data through to 2024 and articulate the evolving landscape of employment, skills, and industry growth in the technology sector.

Key elements of this updated plan include:

Data Driven

- The updated methodology incorporates recent ABS Labour Force Survey data to extend our analysis through 2024.
- This year, FSO launched the WFP Dashboard, a dynamic tool offering additional data and insights that extend beyond the content of this document.

Dual-Perspective Analysis

- We blend both industry and occupational approaches, offering a nuanced understanding of the sector.

Expanded Focus on Emerging Trends

- New analysis now covers migration trends, detailed learner journeys within the Vocational Education and Training (VET) system, and university trends feeding into critical business occupations.
- FSO collaboration with Oxford Economics has provided predictive analysis forecasting workforce and skills requirements out to 2030.

Key Challenges and Opportunities

- **Growth concentrated in Professional, Scientific and Technical Services Services:** Workforce expansion between 2021 and 2024 was driven by increased investment in research, regulatory reforms, and the post-pandemic recovery, while Administrative and Support Services experienced mixed demand trends. This growth was particularly evident in areas such as management consulting and advanced technical research, which contributed to the sector's expanding economic footprint.
- **High natural attrition across key business sectors:** The business industry has the highest projected natural attrition rate across Finance, Technology and Business (FTB) industries influenced by an older workforce profile.
- **Emerging skills mismatch[1] across generalist[2] and specialist areas:** Future workforce needs highlight growing demand for both specialist and generalist skills in business management, legal expertise, corporate leadership, and generalist skills in Artificial Intelligence (AI) literacy, planning and organising, digital engagement, and emotional intelligence.
- **Vocational Education and Training (VET) foundational to workforce supply but impacted by low completion rates:** Although commencements in the Business Services Training Package (BSB) rebounded in 2023, completion rates remain modest and pathways into high-demand business occupations are unclear.
- **Migration pathways are important to sustaining business workforce supply:** Migrants account for 20% of the business workforce[3], with significant temporary-to-permanent visa transitions into management, legal, HR and consulting roles, though migration remains concentrated in metropolitan centres.
- **Small business workforce development constrained by ongoing challenges:** Small businesses, contributing around 30% of Gross Domestic Product (GDP) and 42%[4] of private-sector employment, face ongoing challenges from compliance burdens, digital adoption barriers, and limited access to upskilling initiatives.
- **Large enterprises navigating complex compliance and transformation demands:** Larger organisations are contending with evolving sustainability compliance requirements and frequent updates to workplace laws, while also investing in digital transformation to remain competitive.
- **Digital transformation, AI adoption, and cybersecurity are critical enablers:** These technologies are increasingly essential for enhancing productivity, managing risk, and protecting against cyber threats. Businesses are leveraging AI-driven tools to streamline operations and improve customer engagement.
- **Shifting consumer expectations are reshaping business strategies:** Demand is rising for personalised and sustainable products and services. Businesses are responding by adopting AI-powered solutions to deliver tailored experiences and meet transparency expectations around Environmental, Social and Governance (ESG) practices.

1. Common core skills and knowledge that have transferable application across a broad range of industries and occupations. Generalist skill examples are critical thinking, communication, digital capability and teamwork etc.
2. Specific technical abilities and knowledge required for specific occupations or industries. These skills are often developed through targeted training programs and are essential for performing specialised tasks. These include technical proficiency, industry-specific knowledge, advanced problem-solving, and practical skills.
3. Oxford Economics. (2025). FTB workforce and skills report: Final report. Future Skills Organisation.
4. ABS. (2022). Small business in Australia.

Industry Overview

What has changed since 2021?

The business industry continues to expand, with a 6% increase in total employment between 2021 and 2024, driven by the addition of 37,400 jobs.[5] In 2024, the industry constituted 662,330 jobs or 5% of the total national workforce, marking a 1% increase since 2021.[6] This growth highlights the industry's significant role in the economy. During the same period, the industry also experienced an increase in its median weekly earnings, with Professional and Scientific Services seeing a 10% rise to $1,900 per week, and Administrative and Support Services experiencing a 27% increase to $1,400 per week.[7] This section updates our baseline data from 2021, as used in previous plans, with the most recent data from 2024.

The 6% growth in this industry's workforce has largely been concentrated in both the Scientific Research Services sector and Legal Services, which added 20,500 jobs since 2021.[8] Between 2021 and 2024, Australia's Scientific Research Services sector experienced rapid workforce growth due to increased government funding for health, medical, and environmental research, as well as investments in artificial intelligence (AI) and data analytics. During 2021-2022, this sector recorded the largest increase in research and development (R&D) expenditure, approximately $871 million, further accelerating hiring to enable research institutions to address national priorities like climate change and technological advancement.[9]

Similarly, the Legal Services sector saw significant workforce growth driven by a strong post-pandemic recovery. Law firms expanded to manage increased workloads from court backlogs and corporate activities,[10] while **advancements in legal technology and new practice areas, like cybersecurity law, boosted demand for professionals with digital expertise.** Regulatory reforms, including updates to privacy laws and heightened compliance requirements, also contributed to this growth.[11]

This industry includes a wide range of companies, from innovative start-ups and SMEs to established multinational corporations. Of note, the Professional, Scientific and Technical Services, along with the Administrative and Support Services sectors in Australia, cover specialties such as advanced research, legal, and management consultancy, as well as essential support functions such as human resources.

5. ABS. Labour Force Survey, seasonally adjusted data.
6. Ibid..
7. ABS. Characteristics of Employment, 2014 to 2024, ABS Data builder.
8. ABS. Labour Force Survey, Detailed, November 2024, Jobs and Skills Australia (JSA) trend data with FSO methodology applied.
9. ABS. (n.d.). Research and experimental development (businesses), Australia: Latest release.
10. Thomson Reuters Legal. (2022). Australia's legal industry: Emerging trends and challenges.
11. IBISWorld. (2023). Legal services in Australia – market research report

What has changed since 2021?

$184 billion to the economy (2022-2023)

from the Professional, Scientific and Technical[12] Services sector through advanced research, legal, advertising and market research.[13]

$91 billion to the economy (2022-2023)

from the Administrative and Support Services[14] sector through office administration, personnel hiring, document preparation and call centres.[15]

AUD 24 billion (2021-2022) in exports from the Professional, Scientific and Technical Services sector[16]

- Growing from approximately AUD 22 billion in 2018-2019.[17]
- High-value activities driving this growth include **management consulting, legal advisory,** and **advanced technical research and development.**
- Major export markets include the **Asia-Pacific**, **North America**, and **Europe**.

AUD 8 billion (2021-2022) in exports from the Administrative and Support Services sector[18]

- Growing from approximately AUD 7 billion in 2018-2019.[19]
- Essential support functions provided by this sector include **business process outsourcing**, reinforcing its growing international significance.

Together, these sectors are pivotal to Australia's services export portfolio and broader economic performance.

Regulatory requirements vary across sectors, covering standards for scientific research, fair work, and fair trading. Though not exhaustive, some examples are:

- Standards Australia
- Australian Competition and Consumer Commission (ACCC)
- Fair Work Ombudsman
- State-based regulators such SafeWork NSW

12. For a full breakdown of sectors please refer to Business Workforce Plan — Future Skills Organisation.
13. ABS. (2023). Australian Industry, 2022-23 financial year.
14. For a full breakdown of sectors please refer to Business Workforce Plan — Future Skills Organisation.
15. Ibid..
16. ABS. (2020). International Trade in Services, Australia, 2018–19.
17. ABS. (2023). International Trade in Services, Australia, 2021–22.
18. ABS. (2020). International Trade in Services, Australia, 2018–19.
19. ABS. (2023). International Trade in Services, Australia, 2021–22.

Business Industry Overview (2024)[20]

662,330 Total Employed, up 6% since 2021.[21]

$1,900 Median Weekly Earnings, Professional, Scientific and Technical Services.[22]

$1,400 Median Weekly Earnings, Administrative and Support Services.[23]

24% Part Time.[24]

5% of Total National Workforce.[25]

825,000 Active Businesses.[26]

82%
Employment Location - Major Cities (2021)[27]

18%
Employment Location - Regional (2021)[28]

339,735
VET Qualification Commencements[29]

19,772
Bachelor Business and Management Commencements[30]

Business Sectors[31]

- Professional, Scientific and Technical Services.
- Administrative and Support Services.

Largest 5 Occupations (2024)[32]

1. Receptionists
2. Office Managers
3. Management and Organisation Analysts
4. Advertising and Marketing Professionals
5. Solicitors

Demographics (2024)

- **Female Representation:** 54% of total industry workforce (0% change 2021)[33]
- **Persons with Disability:** 1% of total industry workforce[34]
- **First Nations Workforce:** 1% of total industry workforce[35]
- **Age:** 15-24: 9%, 25-54: 71%, 55+: 20%[36]
- **Median Age:** 40[37]

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20. Please note that the figures used for 2021 and 2024 have been derived from JSA trended data for these points in time and not from the 2021 Census data, as in previous workforce plans.
21. ABS. Labour Force Survey, Detailed, November 2024, Jobs and Skills Australia (JSA) trend data with FSO methodology applied.
22. ABS. (2024). Characteristics of Employment, Australia, August 2024.
23. Ibid..
24. ABS. (2021). Census - employment, income and education.4-digit level INDP Industry of Employment by LFSP Labour Force Status. Counting: Person Records.
25. ABS. (2021). Census - employment, income and education, Labour Force Status, Counting: Person Records.
26. Count of Australian Business Numbers (ABN) of which the entity is either an 'Australian Public Company', 'Australian Private Company', or 'Individual/Sole Trader' and has been registered by the given date or prior and has not been cancelled as of the given date. Data sources from Job and Skills Atlas. January 2025.
27. ABS. (2021). Census of Population and Housing. ABS TableBuilder.
28. Ibid..
29. National Centre for Vocational Education Research (NCVER). (2024). Total VET students and courses 2023: program enrolments DataBuilder, Total, Training package by Year.
30. Department of Education, uCube (2010-2017) and Enrolment pivot table (2018-2023).
31. Derived from Australian and New Zealand Standard Industrial Classification (ANZSIC) 2006.
32. Australian and New Zealand Standard Classification of Occupations (ANZSCO). 4-digit occupations and ABS. (2024). Labour Force Survey, Detailed, November 2024, Jobs and Skills Australia (JSA) trend data.
33. ABS. (2021). Census. INDP-4 Digit Level by Sex (SEXP) Counting Persons, Place of Usual Residence, TableBuilder.
34. ABS. (2011). Census. INDP-4 Digit Level and Core Activity Needs for Assistance (ASSNP) Counting Person, Place of Usual Residence. TableBuilder.
35. ABS. (2011). Census. INDP-4 Digit Level and Indigenous Status (INGP) Counting Person, Place of Usual Residence. TableBuilder.
36. ABS. Census. 2011, 2016, 2021, TableBuilder.
37. ABS. (2024). Labour Force Survey, four-quarter average data, customised report JSA.

State Based Growth[38]

(2024 with % changes since 2021)

State	Employment Total (2024)[39]	Female Employment Total[40]	First Nations Employment Total (2024)[41]	Persons with Disability[42] Employment Total (2024)[43]
ACT	17,060 (+5%)	8,530 (- 4%)	253 (+17%)	228 (+17%)
NSW	220,440 (+2%)	122,100 (+2%)	3,076 (+13%)	1,747 (+13%)
NT	4,770(-4%)	260 (-6%)	498 (+7%)	67 (20%)
QLD	119,900 (+12%)	70,160 (+22%)	2,757 (+13%)	1,377 (+17%)
SA	36,360 (+3%)	20,160 (-2%)	538 (+15%)	478 (+13%)
TAS	9,740 (+3%)	5,140 (-3%)	245 (+6%)	109 (+13%)
VIC	180,970 (+3%)	93,560 (-3%)	919 (+14%)	2,013 (+16%)
WA	67,580 (+13%)	34,640 (+29%)	1,110 (+13%)	745 (+10%)

Small businesses, comprising approximately 97%[44] **of all businesses, contribute around AUD 480 billion— about 30% of the nation's GDP in 2022,**[45] **making them the backbone of the Australian economy.** Predominantly made up of sole traders and micro-businesses, these organisations also **employ over 4.5 million people, representing approximately 42% of the private-sector workforce.**[46] Despite their significant role, small businesses face numerous challenges, including a prolonged post-pandemic recovery, rising inflation, tighter access to finance, and increasingly complex regulatory demands. The contribution made by small businesses remains pivotal to Australia's economic prosperity.[47]

38. ABS. (2024). Labour Force Survey, Detailed, November 2024, JSA trend data with FSO methodology applied.
39. Ibid..
40. ABS. Census. 2011, 2016, 2021, TableBuilder.
41. ABS. (2011). Census. Employment, INDP-4 Digit Level and Main ASGS POW by INGP.
42. Where disability is defined by the Census category by Core Activity Need for Assistance.
43. ABS. (2011). Census. Employment, INDP-4 Digit Level and Main ASGS POW by ASSNP.
44. ABS. (2022). Small business in Australia.
45. Ibid..
46. Ibid..
47. Small Business Association of Australia. (n.d.).

State and Territory Business Workforces and Initiatives

State-based growth in the business industry shows an upward trend in employment across all states and territories except the Northern Territory (NT), which saw a decline.

Victorian and South Australian Skills Plans Highlight Major Growth in Professional, Scientific & Technical Services Sector.

Approximately 42,600 new workers will be needed in Victoria's Professional, Scientific & Technical Services sector from 2024 to 2027, according to the Victorian Skills Plan (VSP) for 2024 into 2025.[48] This is expected to be a major driver of growth in jobs, with high-demand occupations including researchers and solicitors. Additionally, VSP highlights the Administrative & Support Services industry, forecasting a need for approximately 10,100 new workers from 2024 to 2027,[49] with high-demand roles in this sector including human resource professionals, and general clerks.

Over the past decade, South Australia's Professional, Scientific and Technical Services sector grew by 25,700 jobs[50], making it one of the state's fastest-growing industries, second only to health care. South Australia's skills strategy, “Skilled. Thriving. Connected.”, led by the South Australian Skills Commission, recognises this sector as a significant growth area. Workforce projections indicate that, along with health care and education, the Professional, Scientific & Technical Services Industry will account for about 75% of employment growth in the five years to 2028.[51] The policy direction emphasises building a skilled, inclusive workforce for the state's economic priorities, which includes supporting these high-growth service industries.

Regional and Metro Differences

The Professional, Scientific, and Technical Services sector is predominantly concentrated in metropolitan areas, where a high proportion of the workforce holds post-secondary qualifications. These regions benefit from well-developed infrastructure and high population densities, which facilitate collaborative innovation and advanced service delivery.[52]

Regional centres such as Newcastle, Wollongong, and the Illawarra in New South Wales, as well as Geelong, Ballarat, and Bendigo in Victoria, **are increasingly benefiting from proximity to universities and strong partnerships with local TAFEs.** These collaborations lead to targeted government training initiatives, driving growth in specialised professional roles and **increasing demand for professional services.**[53]

The Administrative and Support Services sector in Victoria shows a distinct distribution between metropolitan and regional areas. While metro areas traditionally host a higher concentration of administrative roles due to more concentrated business activities, regional centres are experiencing steady growth in roles such as human resource support, call centres, and document management.[54] In South Australia, regional governments and industry bodies are actively investing in targeted training initiatives to upskill local workforces and address occupation shortages. **Tailored vocational training and partnerships with local educational providers are bridging critical skills gaps, stimulating job creation, and enhancing economic resilience in regional areas.**[55]

48. Victorian Skills Authority. (2024). Victorian Skills Plan 2024.
49. Victorian Skills Authority. (2024). Victorian Skills Plan 2024.
50. SA Skills Commission. (2024). Skilled. Thriving. Connected: Our policy direction for skills in South Australia.
51. Ibid..
52. NSW Government. (n.d.). Discover industries – Professional, scientific and technical services.
53. Department of Infrastructure, Transport, Regional Development and Communications and the Arts. (2024). State of Australia's regions report 2024.
54. Victorian Government. (2022). Administrative and support services industry insight.
55. Regional Development South Australia. (2021). Regional Workforce Paper Project Report.

Case Study: Aboriginal Legal Career Pathways Program

A Collaborative Pathway to Becoming a Solicitor

The Aboriginal Legal Career Pathways Program, launched in 2023, is a partnership between Legal Aid NSW, TAFE NSW, and Macquarie University, designed to increase Aboriginal representation in the legal profession.

Participants begin their journey by completing a Diploma of Legal Services at TAFE NSW, gaining foundational knowledge in legal systems and administrative skills. They simultaneously work part-time at Legal Aid NSW offices, gaining hands-on experience advocating for clients and managing cases.

Graduates then transition to Macquarie University's Graduate Certificate of Law, bridging vocational training with higher education. Those aspiring to become solicitors can continue to the Juris Doctor (JD) program, supported by scholarships that cover tuition costs.

Simone Roberts, a Gadigal woman and participant in the program, exemplifies its success. After completing her TAFE qualification and gaining practical experience in regional Legal Aid offices, Simone plans to pursue her JD degree at Macquarie University to advocate for Aboriginal communities within the justice system.[56]

This program creates a tangible pathway from TAFE to university while addressing systemic barriers for First Nations professionals. It has already begun transforming regional legal services by fostering culturally competent solicitors who understand the unique needs of Aboriginal communities.[57]

Photo source: Legal Aid NSW. (2025). Future First Nations lawyers graduate from program.

Proposed Question for Workforce Plan 2026

How do targeted government training initiatives and partnerships with local TAFEs in regional centres like Newcastle, Wollongong, and Geelong drive growth in specialised roles?

Metro areas in the business industry benefit from superior infrastructure, a larger and more diverse employment base, and concentrated high-value services across both the Professional, Scientific and Technical and Administrative and Support Services sectors of business, resulting in higher overall employment levels.

Regional centres are emerging as collaborative innovation hubs supported by local universities, research institutions, and proactive government strategies designed to attract and develop skilled labour.[58]

56. The Lawyer. (2023). Legal Aid NSW announces inaugural cohort graduated from Aboriginal Legal Career Pathways Program.
57. Legal Aid NSW. (2025). Future First Nations lawyers graduate from program.
58. NSW Government. (n.d.). Discover industries – Professional, scientific and technical services.

The Future of the Business Industry in 2030

Industry and Skills Projections

To address the rapidly changing skills landscape, Oxford Economics Australia was engaged by FSO to undertake workforce modelling. This aimed to understand workforce demand based on an industry growth basis, rather than relying on historic trends used in past workforce plans. The modelling framework provides an unconstrained view of demand, offering projections based on our current understanding[59] of workforce and skill set requirements through to 2030.

Current projections indicate that the business industry is expected to grow by 1.9% per annum, translating to an increase of approximately 100,000 workers by 2030.[60] The business industry includes clusters of sectors within administrative and support services are expected to experience augmentation as a result of automation, AI and digital transformation. In addition, the industry faces an attrition rate of around 20% relative to its current supply, due to its older age profile. To increase workforce numbers, the industry will rely heavily on migration, education and job movements.[61]

To meet the unconstrained demand in the business industry, it is crucial to focus on the education and training of new entrants, and re-skillers within the workforce. There is a need to **diversify employment pathways** into the sectors and to **define changes in internal pathways** as skills evolve and the workforce adapts. It is essential to ensure training programs meet the needs of both learners and the industry, reflecting the changing nature of the industry due to automation, AI, and digital transformation. The primary barriers to stronger supply growth are low additions from education and job movements.[62]

The Future of the Business Industry - Projections

Overall Workforce Growth: Demand in the business industry is projected to grow by 1.9% per annum, **potentially reaching nearly 750,000 jobs by 2030.**[63] Meanwhile, the business industry's share of the national workforce is expected to remain steady at approximately 5% out to 2029.[64]

Sector-Specific Growth: The business industry includes the five slowest-growing sectors, primarily within administrative and support services, with projected attrition rates within management and consulting services at 26.5% and legal services at 21.5%.[65]

Labour Shortfall: Within this context, the business industry is expected to face a **shortage of approximately 22,000 workers by year 2030.** However, there is significant variability at the sector level within the industry.[66]

What is FSO doing?

[Superseded BSB Skill Sets Update]

[Entry Level Pathways]

[Qualification Design to Support Digital Capability]

[Earn While You Learn (EWYL)]

59. Note: These projections are based on the latest data and reflect the current state of the industry. However, it is important to note that changes in government policies, economic conditions, regulations, and other external factors may impact these projections in the future. As such, while the projections provide a valuable snapshot of anticipated trends, they may no longer be applicable if significant changes occur in these areas.
60. Oxford Economics. (2025). FTB workforce and skills report: Final report. Future Skills Organisation.
61. Ibid..
62. Ibid..
63. Ibid..
64. Jobs and Skills Australia. (n.d.). Employment projections.
65. Oxford Economics. (2025). FTB workforce and skills report: Final report. Future Skills Organisation.
66. Ibid..

The business industry includes the five largest workforce surpluses within the FTB industries but also the second largest workforce shortage within FTB by 2030:[67]

- Employment Placement and Recruitment Services (+9% p.a.)
- Advertising Services (+7% p.a.)
- Call Centre Operation (+7%)
- Labour Supply Services (+4% p.a.)
- Other Administrative Services (+4% p.a.)
- Management and Related Consulting Services (-9.8% p.a.)

Migration: The business industry is expected to gain approximately **48,000 new workers in 2024-30 through migration.** For 2023-24, this figure represents 4.8% of total migration inflows, closely matching business employment share of 4.6% of total employment.[68]

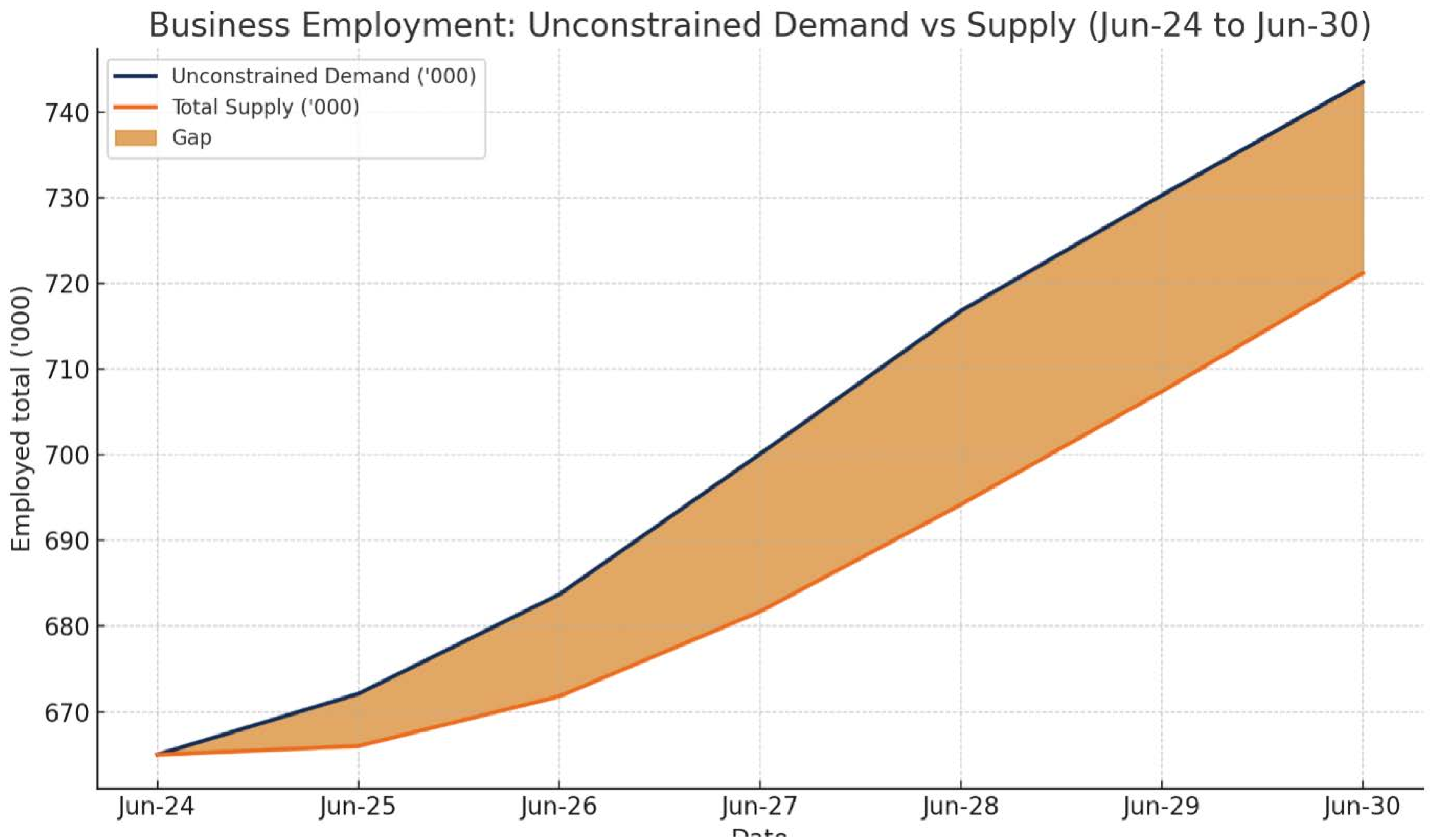

Figure 3: Business Industry Workforce Gap

Source: Oxford Economics. (2025). FTB workforce and skills report: Final report. Future Skills Organisation.

67. Ibid.
68. Ibid.

Demographic factors: The business industry, with an older workforce, is **projected to have the highest natural attrition rate at 20.2%.** The Management and Consulting Service and Legal Services sectors are expected to experience higher attrition rates than the overall business industry at 26.5% and 21.5%, respectively. In addition, the business industry is anticipated to see an increase in supply from education and job movements at 21.5%, with the top five sectors reflecting similar gains.[69]

The Top 5 sectors for education and job movements are (from 2024-2030 as a share of the 2024 workforce):[70]

- Employment Placement and Recruitment Services (26.9%)
- Legal Services (24.4%)
- Advertising Services (23.8%)
- Other Administrative Services (22.7%)
- Management and Related Consulting Services (22.5%)

What are the Future Skills Needs?

Alongside a projected worker shortage, the business industry is also facing a significant skills mismatch. This mismatch is characterised by sectors with varying demand, with Management and Related Consulting Services experiencing particularly acute shortages while some administrative services show likely surpluses.[71]

Occupations most vulnerable to structural decline are concentrated within the business workforce, particularly those requiring Certificate IV qualifications in business management, office studies, and personal services. In contrast, Diploma-level business skillsets, those used in secretarial roles, continue to be sought after for related positions such as personal assistants and office managers. The business industry has diverse skillsets, with the largest single skill set, those required to become a legal professional, forecast to account for 11.7% (approximately 85,000) of supply in 2029-30, primarily required in the legal sector.[72]

Three out of the top five skill set workforces predicted to see uplift are in the business industry, which will require high proficiency skills in planning and organisation, initiative and innovation, and digital engagement. Industry-specific skillsets are essential for meeting the evolving demands of the business sector, ensuring that the workforce is equipped to handle the challenges and opportunities presented by these high-demand areas.[73]

The three skillsets predicted to see uplift between 2024 to 2030 are:[74]

- Business and Management at an intermediate[75] proficiency level[76] (34,000)
- Law at an intermediate proficiency level (16,000).
- Business and Management at a high[77] proficiency level (16,000).

These skills gaps occur for both generalist and specialist skills.

Generalist skills anticipated to experience the most significant skill gaps by 2030 are:[78]

- AI literacy
- Planning and organising
- Digital engagement
- Initiative and innovation
- Teamwork
- Problem solving and analytical thinking
- Lifelong learning
- Emotional intelligence
- Project management

Specialist skills anticipated to experience the most significant skill gaps by 2030 are:[79]

- Business management
- Corporate leadership and strategy
- Management consulting
- Project management
- Change management
- Commercial acumen and business analysis
- Legal expertise
- Human Resource Management

69. Ibid.
70. Ibid.
71. Ibid.
72. Ibid.
73. Ibid.
74. Ibid.
75. Individuals at this level can perform tasks independently and demonstrate a moderate level of skill application.
76. The skill or task can be performed independently in standard contexts. For example, characteristics include requires some judgement and adaptation to different situations, can troubleshoot common issues without supervision, may involve coordinating with others or managing limited resources. and

suited to roles requiring solid experience or vocational training.

77. This level reflects advanced expertise and mastery, enabling individuals to handle complex tasks independently and efficiently.
78. Ibid..
79. Ibid..

Addressing skill shortages requires the education and training system to provide these skills, but also businesses to strategically invest in their workforce, equipping them with the capabilities needed to adapt and thrive amid ongoing change. The business industry is confronted with significant challenges stemming from demographic shifts, technological advancements, and policy constraints. To address the skill shortages, **the education and training system must ensure students are provided these skills and businesses prioritise the upskilling of existing workers,** fostering collaboration with education and training organisations, and promoting **lifelong learning opportunities.**

Essential Skills for the Future of Business

To navigate an increasingly complex and digital landscape, business industries must build a workforce equipped with a diverse mix of specialists, generalist, and future-focused skills. These needs are driven by challenges including technological advancements, rising cybersecurity threats, evolving hybrid work models, and global uncertainties. Professionals will need strong digital literacy to leverage tools and data analytics, with 87% of jobs in Australia now requiring digital skills. Sustainability expertise is also critical as businesses increasingly focus on environmental accountability. In addition, proficiency in AI tools will be essential for workers and for businesses for enhancing productivity and decision-making.[80]

Human-centred generalist skills are becoming just as critical as technical skills in today's evolving and globally connected workplaces. Skills such as communication and collaboration, are vital, particularly in remote or hybrid work environments. Emotional Intelligence is critical to fostering engagement, managing stress, and resolving conflicts. Cultural awareness is increasingly important for navigating global markets and fostering inclusivity.[81]

Thriving in a rapidly changing environment will depend on future-focused skills that equip professionals to lead with agility, creativity, and resilience. Future-focused skills, such as critical thinking and problem-solving, will enable professionals to address challenges creatively and to seize opportunities. Change management expertise will help guide teams through transitions, while resilience is crucial for overcoming setbacks and maintaining long-term focus.[82]

In a dynamic job market, ongoing skill development is no longer optional—it's the foundation for long-term employability and success. Professionals must embrace continuous learning and adapt to the fast-changing job market by prioritising skill development in these areas. This blend of technical expertise, interpersonal abilities, and adaptability will be key to thriving in the evolving work environment.[83]

80. Australian Institute of Business. (2025). The top 9 skills employers are looking for in 2025.
81. Ibid.
82. Ibid.
83. Ibid.

Why building furniture builds better futures

Read more

Occupational Overview

What has changed since 2021?

Since the release of the Initial Workforce Plan (based on 2021 data), around 109,000[84] additional business roles have been created (9% increase). Business occupations exist across the economy in every industry,[85] but are primarily concentrated in Professional, Scientific, and Technical Services; Information, Administrative and Support Services and in Financial and Insurance Services sectors.[86]

Despite overall growth, participation by persons with disabilities and First Nations people only represent 1% and 2% of the business workforce respectively. Women's participation in business occupations has remained relatively stable (66% in 2021. 65% in 2024).[87]

Technology Occupation Based Workforce (2024)

1,352,200 (up 9%) Total Employment.[88]

$1,743 Medin Weekly Earnings.[89]

26% Part Time.[90]

9% of Total National Workforce.[91]

Occupations in Shortage[92]

- Solicitors
- Recruitment Consultant
- Workplace Relations Adviser (Regional Shortage)
- Liaison Officer (Regional Shortage)
- Conveyancer

Core Skills Occupations[93]

(not already on the Occupation Shortage List)

- Chief Executive or Managing Directors
- Corporate General Manager
- Human Resource Manager
- Research and Development Manager
- Human Resource Adviser
- Recruitment Consultant
- Workplace Relations Adviser
- Organisation and Methods Analyst
- Management Consultant
- Supply Chain Analyst
- Patents Examiner
- Information and Organisation Professionals
- Advertising Specialist
- Marketing Specialist
- Content Creator (Marketing)
- Life Scientist (General)
- Biochemist
- Botanist
- Marine Biologist
- Entomologist
- Zoologist
- Life Scientists nec
- Solicitor
- Office Manager
- Legal Secretary
- Conveyancer
- Clerk of Court
- Barrister

Clean Energy Critical Occupations

- Research and Development Managers

84. ABS. (2024). Labour Force Australia, detailed, Nov 2024, data trended by JSA.
85. JSA. National Occupation Trend Series.
86. Oxford Economics. (2025). FTB workforce and skills report: Final report. Future Skills Organisation.
87. JSA. National Occupation Trend Series.
88. JSA. National Occupation Trend Series.
89. Ibid..
90. Ibid..
91. ABS. (2021). Census. Employment, income and education, LFSP Labour Force Status, Counting: Person Records.
92. JSA. (2024). Occupation Shortage List 2024.
93. JSA. (2024). 2024 core skills occupations list key findings report.

Demographics (2024)

- **Female Representation:** 65% of total occupation based workforce[94]
- **Person with Disability:** 1% of total occupation based workforce[95]
- **First Nations Workforce:** 2% of total occupation based workforce[96]
- **Age:** 15-24: 11%, 25-54: 67%, 55+: 22%[97]

State Based Occupation Workforce (2024)[98]

State	Employment Total (2024)[99]	Female Employment Total[100]	First Nations Employment Total (2024)[101]	Persons with Disability[102] Employment Total (2024)[103]
ACT	37,260 (+10%)	22,510 (+2%)	755 (+8%)	508 (+19%)
NSW	438,930 (+7%)	285,760 (+5%)	7,460 (+6%)	3,113 (+12%)
NT	12,530 (-3%)	8,050 (-4%)	1,153 (+3%)	89 (+16%)
QLD	261,320 (+13%)	181,170 (+15%)	6,123 (+5%)	2,275 (+15%)
SA	77,500 (+6%)	50,310(-1%)	1,041 (+4%)	737 (+13%)
TAS	23,520 (+4%)	15,690 (0%)	750 (+3%)	192 (+11%)
VIC	362,970 (+6%)	229,410 (+6%)	2,772 (+8%)	3,032 (+17%)
WA	131,510 (+9%)	86,530 (+7%)	2,162 (+4%)	952 (+15)

94. ABS. (2021). Census. INDP-4 Digit Level by Sex (SEXP) Counting Persons, Place of Usual Residence. TableBuilder.
95. ABS. (2011). Census. INDP-4 Digit Level and Core Activity Needs for Assistance (ASSNP) Counting Person, Place of Usual Residence. TableBuilder.
96. Ibid..
97. ABS. Census. 2011, 2016, 2021. TableBuilder.
98. ABS. (2024). Labour Force Survey, Detailed, November 2024, Jobs and Skills Australia (JSA) trend data with FSO methodology applied.
99. Ibid..
100. ABS. Census. 2011, 2016, 2021. TableBuilder.
101. ABS. (2011). Census. Employment, INDP-4 Digit Level and Main ASGS POW by INGP.
102. Where disability is defined by the Census category by Core Activity Need for Assistance.
103. ABS. (2011). Census. Employment, INDP-4 Digit Level and Main ASGS POW by ASSNP.

Occupation Projections

What does the future look like?

Business occupations represent the largest segment of the FTB occupation workforce, accounting for nearly 50% of the that workforce in 2024, and 9% of the national workforce. While business occupation demand growth is expected to outperform labour market-wide average growth of 1.5% per annum to 2030, **business occupations are the only ones within the FTB workforce projected to decline by 2030.**[104]

Management and organisation analysts are expected to lead the above-average demand growth in business occupations at 3.3% per annum, despite the mixed demand outlook. The demand outlook for business occupations is mixed, with 12 occupations facing above-average demand growth. However, the five largest declines in demand are expected in business occupations:[105]

Occupation	Projected Decrease (2024 -2030)
Secretaries	-3,700
Filing and Registry Clerks	-1,000
Other Clerical and Office Support Workers	-300
Survey Interviewers	-100
Switchboard Operators	-100

These **declining occupations are all classified as clerical and administrative workers, often routine-focused and facing increased risks from digitalisation and the uptake of AI as tasks are automated and augmented.**[106]

The overall workforce shortage is forecast to be 48,000 workers or 3.2% of demand. Clerical and administrative workers account for 45% of these shortages:

Occupation	Projected Shortage (2030)
Office Managers	16,700
Information Officers	16,200
Receptionists	15,300

The supply of business occupations is forecast to grow at 0.9% per annum, despite higher attrition rates and low migration. This growth is offset by strong inflows from education and job movements. There is significant variation at the occupation level within business, with supply in two of the five largest occupations (receptionists (-1% per annum) and office managers (-1.5% per annum) expected to decline.[107]

Business occupations' attrition rates are projected to be 22%, with significant variation across specific occupations. Four of the top five FTB occupations with the highest projected attrition rates are business occupations:[108]

Occupation	Projected Attrition Rate (%)
Secretaries	38.4
Chief Executives and Managing Directors	37.9
Librarians	36.6
Other Clerical and Support Workers	33.3
Office Managers	29.5

104. Oxford Economics. (2025). FTB workforce and skills report: Final report. Future Skills Organisation.
105. Ibid..
106. Mandala Partners and FSO. (2023). Impact of generative AI on skills in the workplace.
107. Oxford Economics. (2025). FTB workforce and skills report: Final report. FSO.
108. Ibid..

Business occupations are characterised by relatively low migration intakes, with only 13 of 58 occupations receiving a share of migration greater than their share of employment. The best-performing occupations are projected to be Auditors, Company Secretaries and Treasurers, Life Scientists, and Advertising and Marketing Professionals, with forecast migration share to employment share ratios of 3.1, 2.1, and 1.9 respectively.[109]

Business occupations are expected to gain additional supply through education and job movements equivalent to 21.1% of the 2024 workforce. This gain is relatively evenly distributed between education (51%) and job movements (49%).[110]

The Business Services Training Package (BSB) is the most utilised training package in Australia's Vocational Education and Training (VET) system due to its versatility and wide applicability across industries. This package includes qualifications across a broad range of business-related areas, such as administration, leadership, management, marketing, and human resources. The BSB training package supports workforce development in sectors like professional services, retail, health care, and education, making it a **cornerstone of Australia's VET system valued across multiple industry sectors.**

109. Ibid..
110. Ibid..

The importance of Migration for Business workforce now and into the future

The business workforce is heavily reliant on migration, with visa holders making up 20% of the business workforce. Migration plays a crucial role in addressing workforce needs, with a notable presence of both temporary and permanent visa holders. Skilled independent visas are particularly prominent, accounting for 22% of visa holders in business occupations. Key business occupations reliant on migration include Chief Executives and Managing Directors, General Managers, Business Administration Managers, Corporate Services Managers, and Human Resource Managers.[111]

Temporary to Permanent Visa Pathways

Temporary visa pathways are crucial for business occupations, with 53% of permanent visa holders having initially entered Australia on temporary visas. This transition is more common in business occupations compared to the wider economy. The student visa pathway is significant, representing 25% of skilled permanent visa holders in business occupations. Additionally, 21% of those on skilled permanent visas in business occupations originally entered on skilled temporary visas. Occupations such as Management and Organisation Analysts, Human Resource Professionals, and Training and Development Professionals are particularly reliant on these pathways.[112]

Trends in Visa Grants

The share of visa holders in business occupations has shifted towards more onshore grants, with 28% of visa grants in 2024 lodged by offshore applicants. Temporary skilled visas represent the largest share of new supply to business occupations, with 68% of new supply coming via this stream in 2024. The number of offshore permanent visa grants for business occupations has decreased, while onshore grants have increased. Key occupations benefiting from these trends include Advertising and Marketing Professionals, Legal Professionals, and Office Managers.[113]

Regional and Educational Outcomes

Visa holders in business occupations are more concentrated in Sydney and Melbourne, where they make up 31% of the workforce in business roles. In regional areas, this share drops significantly. Business occupations have a relatively lower share of VET qualifications compared to finance and technology occupations. However, the student visa pathway remains important, with 3% of the business workforce having followed this route. Specific occupations such as Personal Assistants and Secretaries, Call or Contact Centre Workers, and Information Officers are particularly impacted by these regional and educational trends.[114]

111. Oxford Economics. (2025). FTB Migration analysis. Final report. Future Skills Organisation.
112. Department of Home Affairs. (2023). Migration trends 2022–23.
113. Ibid..
114. Ibid..

Educational Outcomes in Business

Vocational Education and Training (VET) Outcomes

Commencements and completions in the BSB Training Package experienced a decline from 2020 to 2022, followed by a rebound in 2023. Commencements dropped by 36,135 from 359,020 to 322,885, before rising to 339,735 in 2023. Similarly, completions decreased by 18,990 from 112,910 in 2020 to 93,920 in 2022, before increasing slightly to 94,330 in 2023.[115]

The Certificate III in Business (BSB30120) is one of the heavily used qualifications in Australia's vocational education system, equipping learners with essential skills for entry-level roles across industries. This nationally accredited qualification focuses on administration, customer service, teamwork, and digital literacy. With its emphasis on practical skills and adaptability, the Certificate III in Business serves as a foundational stepping stone for career progression or further study in advanced business qualifications.

Enrolments in the Certificate III in Business increased by over 440% from 16,985 in 2021 to 74,890 in 2023, while completions rose from 880 to 22,625 during the same period. This impressive growth is particularly noteworthy given the training package was only introduced in its current version in 2020.[116]

To inform this Plan, FSO undertook a deeper analysis of learner journeys for students commencing this qualification between 2016 and 2018 (Note: these numbers represent students who were enrolled in the superseded qualification and transitioned to the new qualification in 2020.)

Occupation	2016	2017	2018
Commencement Count	44,310	50,760	51,320
Completions[117]	54.7%	47.2%	45.8%
Direct Non- Completions[118]	45.3%	52.8%	54.2%

The following shows the proportion of completers and non-completers who went on to further VET study in the first-year post training. For example, students whose final year of training was 2016, 44.6% of completers were enrolled in further VET in 2017 and 37.6% of non-completers were enrolled in further VET in 2017.[119]

Occupation	2016	2017	2018	2019	2020	2021
Completed	44.6%	45.2%	44.9%	39.0%	39.7%	35.7%
Non-Completion	38.9%	37.6%	36.1%	30.4%	29.7%	29.2%

A small proportion of students who complete the Certificate III in Business pursue further studies. This may be attributed to a significant number of graduates securing employment within the first financial year following their training.

115. NCVER. (2024). Total VET students and courses 2023: program enrolments and completions DataBuilder, Total, Training package by Year.

116. Ibid.. Please note: The total number of students has been calculated using figures from BSB30112, BSB20115 and BSB30120.

117. Person Level Integrated Data Asset (PLIDA). 2015-2022. Total VET Activity, ABS DataLab. Findings based on use of PLIDA data. Note: completions in any one year may not be related to commencements in that year.

118. Ibid..

119. Ibid..

The following is the proportion of completers and non-completers who were employed in the first financial year post training, for example the proportion of completers employed in the fiscal year following training increased from 65.1% in 2016 to 71.6% in 2020.[120]

Final Year of Training	2016	2017	2018	2019	2020
Completed	65.1%	69.1%	67.5%	67.2%	71.6%
Non- Completion	59.7%	57.3%	53.0%	50.6%	54.5%

However, only a small percentage of these employed graduates entered the occupation of General Clerk, which is the intended employment outcome for students in this qualification.[121] Further research is required to identify which occupations students are entering post-study.

Final Year of Training	2016	2017	2018	2019	2020
Completed	9.3%	10.1%	10.3%	10.9%	11.9%
Non- Completion	6.2%	5.7%	5.5%	5.5%	6.4%

Additional demographic analysis indicates amongst the 2016–2018 cohort, international students, students with disabilities, and First Nations students each had varying rates of commencement, completion, further VET engagement, and employment. Female students consistently demonstrated strong outcomes across all categories. They accounted for 66.4% of all students who commenced this qualification between 2021 and 2023 and 70.4% of those who completed the qualification. Among the students who went onto further VET after commencement, 64.7% were female and among those employed after commencement 70.3% were female.

	Commencement[122]	Completers[123]	Further VET[124]	Employed[125]
Females	66.4%	70.4%	64.7%	70.3%
First Nations	7.6%	5.4%	7.6%	6.4%
People with a disability	11.6%	10.8%	10.6%	7.5%
International Students	6.7%	7.7%	10.7%	4.0%

120. Ibid..
121. Ibid..
122. Ibid..
123. Ibid..
124. Ibid..
125. Ibid..

Proposed Question for Workforce Plan 2026

Only a small percentage of students are employed in the intended occupation for this qualification, yet a large percentage find employment. Where are they actually being employed and are they using their training?

University Outcomes

Domestic demand for management and commerce bachelor-degree courses has been weak since the mid-2010s, with a notable spike in 2018 followed by a decline. Finance and business degrees fall under the field of education 'management and commerce', on which analysis of student enrolments, completions, and outcomes was undertaken. Improved international enrolments in 2022 and 2023 may indicate a new upward trend or simply a return to pre-COVID-19 levels.[126]

By 2023, international students comprised 49% of the total management and commerce degree enrolments cohort, with 22% of total enrolments being offshore. First preference applications for management and commerce undergraduate qualifications decreased by nearly 14% from 2010 to 2021, dropping from 40,091 in 2010 to 34,653 in 2021. Domestic student enrolments declined by 7% from 38,861 in 2021 to 36,234 in 2023, while international student enrolments increased by 23% from 28,689 to 35,380 over the same period. For international students, enrolments in general business and management subjects increased by more than 30%, compared to a slight decline for domestic students.[127]

For domestic bachelor degree students in management and commerce, attrition rates at the four and six-year points after commencement are usually slightly lower than for bachelor degrees generally. International student attrition rates are lower than those of domestic students. **Approximately three-quarters of students who commence a bachelor's degree in management and commerce will graduate, although not necessarily with the degree they started.**[128]

Around 90% of individuals with undergraduate qualifications in management and commerce who seek full-time work secure it within approximately four months after course completion. These graduates are typically slightly more likely than graduates generally to have found full-time employment. For graduates with management and commerce bachelor degrees, full-time employment rates three years post-graduation are typically three to four percentage points higher than those of bachelor degree graduates generally. Recent graduate outcomes surveys have asked employed graduates whether their skills are being utilised. For management and commerce graduates with undergraduate qualifications who are working full-time, the proportion reporting not fully utilising their skills ranged between 32% and 35% over the 2016-2023 period.[129]

A more detailed look at just Bachelor in Business and Management degrees for those commencing:[130]

Year of Commencement	Domestic Students	International Students
2010	7,351	7,714
2011	7,770	8,040
2012	8,563	8,502
2013	9,008	8,756
2014	9,132	8,207
2015	8,917	8,543
2016	9,403	9,126
2017	9,302	8,859
2018	9,088	8,568
2019	8,689	8,981
2020	8,205	7,348
2021	9,104	7,245
2022	8,891	8,719
2023	8,966	10,806

Attrition for students progressing towards completion six years after commencing a Bachelor in Business and Management (Domestic students only):[131]

Year of commencement	Completed by the end of 2023	Still enrolled at the end of 2023	Dropped out 2023
2010	66.8%	11.5%	21.7%
2011	67.2%	11.3%	21.5%
2012	65.3%	11.6%	23.2%
2013	64.6%	11.1%	24.3%
2014	62.5%	11.5%	26.0%
2015	64.0%	12.0%	24.0%
2016	64.7%	12.4%	23.0%
2017	64.8%	11.8%	23.5%
2018	64.7%	11.3%	24.0%

126. Norton, A. (2025). Higher education students in IT, engineering and management and commerce. Future Skills Organisation. Monash Business School, Monash University.
127. Ibid.
128. Ibid.
129. Ibid.
130. Ibid.
131. Ibid.

A Review of Emerging Tech: Industry Findings

Emerging technologies are driving rapid transformation in Australia's business sector, profoundly reshaping the landscape by fostering innovation, enhancing efficiency, and creating new market opportunities. These technologies are profoundly transforming the business landscape, driving innovation, enhancing efficiency, and creating new market opportunities. Below are key trends and their implications.

Digital Transformation

Digital transformation is driving productivity and innovation across Australian businesses by integrating digital technologies into all aspects of operations, enabling businesses to adapt to changing market conditions. This transformation is enhancing efficiency and creating new market opportunities.

Many small businesses face barriers to digital adoption due to high costs, lack of technical knowledge, and regulatory complexity. However, technologies like the Internet of Things (IoT) and cloud computing offer small businesses the chance to streamline operations and enhance customer experiences. Government initiatives are encouraged to reduce these barriers and provide accessible tools for digital adoption.[132]

In 2025, digital transformation remains a top priority for businesses, with 45% planning to increase their technology investments, making it the highest-ranked investment priority. The benefits of digital transformation include enhanced productivity through operational efficiency, improved customer engagement through personalised services, and increased competitiveness in a digital-first economy.[133]

Digital transformation is the number one concern for 53% of business leaders, reflecting its importance in optimising operations and delivering a return on investment. Despite these investments, larger enterprises often face regulatory hurdles and stakeholder expectations when implementing digital solutions. A survey of business leaders revealed this concern, highlighting the benefits for large enterprises, which include enhanced scalability, improved data-driven decision-making, and greater adaptability to market changes.[134]

Artificial Intelligence

Career transitions into AI-related roles become critical with the reshaping of the workforce due to automation. [135] AI is transforming industries by automating processes, improving decision-making, and creating new business opport unities. The significant economic impact of AI adoption could greatly enhance Australia's Gross Domestic Product (GDP) by boosting productivity across sectors such as healthcare, retail, and logistics. There is an emphasis on the need for upskilling workers to meet AI-driven demands.[136]

National approaches are needed to ensure ethical AI adoption and to provide support for small businesses facing barriers such as high costs, lack of technical knowledge, and regulatory complexities. Many small business owners are wary of the rapid pace of AI development and its potential risks.[137]

AI could contribute $115 billion to Australia's economy by 2030 and create 200,000 jobs, with 67% of survey respondents identifying AI as the defining tech trend for 2025. AI applications are diverse, including predictive analytics in retail, advanced diagnostics in healthcare, and automation in agriculture and manufacturing. Businesses are leveraging AI for predictive analytics, customer service automation, and risk management across industries such as finance, retail, and manufacturing.[139]

Upskilling workers to be AI-informed and enabled is essential to fully realise the potential of AI in transforming how businesses operate, improving efficiency, and driving productivity and innovation across industries. Despite the opportunities, challenges remain in addressing ethical concerns and governance gaps in AI deployment.

132. Council of Small Business Organisations Australia (COSBOA) & Commonwealth Bank of Australia. (2024). Small Business Perspectives Report 2024.
133. Australian Industry Group. (2025). Australian industry outlook for 2025.
134. KPMG Australia. (2025). Keeping us up at night: The big issues facing business leaders in 2025.
135. Jobs and Skills Australia. (2024). Better together: The Jobs and Skills Report 2024.
136. Council of Small Business Organisations Australia, & Commonwealth Bank. (2024). Small Business Perspectives Report 2024.
137. Ibid..
138. Ibid.
139. Business Council of Australia. (2024). Submission to the proposals paper for mandatory guardrails for AI in high-risk settings.

Cybersecurity

Nearly 43% of cyberattacks target small businesses, costing the sector an estimated $2 billion annually. Cybersecurity has become a top priority for Australian businesses as cyber threats grow more sophisticated. Many small enterprises lack adequate cybersecurity measures, making them vulnerable to these threats. To address this, programs such as the Small Business Cyber Resilience Service and the CyberWardens Program provide tailored support to help small businesses recover from cyber incidents and improve their defences. Practical cybersecurity solutions like multi-factor authentication, better password management, and streamlined reporting systems for ransomware attacks are needed.[140]

Addressing cyber risks is a priority for 42% of business leaders surveyed in 2025, reflecting the critical concern for both small and large businesses. However, time-poor business owners often struggle with implementing robust cybersecurity practices, and increasing regulatory requirements may overwhelm smaller enterprises. Despite these challenges, protecting sensitive data and infrastructure against ransomware attacks and IoT vulnerabilities is emphasised.[141]

Large enterprises face increasing demands to comply with evolving cybersecurity regulations, requiring robust systems and processes to mitigate risks. Recommendations for these businesses include investing in advanced threat detection systems, adopting post-quantum cryptographic methods as quantum computing becomes mainstream, and providing cybersecurity training programs for employees. By implementing these measures, businesses can enhance their cybersecurity posture and be better protected against the growing threat landscape.

What is FSO doing?

Qualification Design to Support Digital Capability

Specialist Generative Artificial Intelligence

Specialist Cybersecurity

140. Council of Small Business Organisations Australia. (n.d.). COSBOA welcomes further investment into Cybersecurity for small business.

141. KPMG Australia. (2025). Keeping us up at night: The big issues facing business leaders in 2025.

Key Trends Shaping the Future of Australian Businesses in 2025

Over one-third of occupations nationwide are experiencing shortages, with small businesses facing acute shortages of both skilled and unskilled workers.[142] Workforce challenges remain a critical issue for businesses of all sizes, with a growing demand for upskilling.[143] With fewer working holiday visa holders and international students post-COVID, small businesses are struggling to fill positions across all industries.[144] There is an emphasis on the need for flexible training programs tailored to small businesses,[145] with micro-credentials or VET skillsets in digital literacy, AI tools, and project management preferred over four-year degrees. It is reported that large enterprises face shortages in management, HR, corporate services, and cybersecurity roles, which hinder strategic development. To address workforce gaps while navigating economic uncertainties, large firms are increasingly relying on temporary visa holders and gig economy models. Large-scale reskilling programs focused on AI expertise, big data management, and analytical thinking are recommended to meet future demands.[146]

Since 2022, there have been over 35 amendments to workplace laws, said to be increasing compliance costs for businesses across the economy. A view expressed by employers are that regulatory burdens are adding complexity for SMEs already struggling with red tape. Small businesses often lack the resources to navigate complex regulations. Simplifying definitions of "small business" across government portfolios is seen as a costless initative to reducing the compliance burden for all businesses.[147]

SMEs face growing pressure to meet ESG standards but say they often lack the resources to effectively implement sustainability initiatives. Large enterprises must comply with mandatory sustainability standards under the Australian Sustainability Reporting Standards (ASRS), requiring detailed disclosures on emissions and climate risks. Employment law changes include criminal penalties for wage theft and revised pay rates under modern awards, are said to add complexity for all employing organisations.[148]

Inflation has driven up energy, insurance, and rent costs for SMEs, with many small business owners reporting cash flow issues as their number one concern. Small businesses report they face unique pressures that both threatens profitability but also offers opportunities for growth.[149] Over 63% of SMEs now use AI tools like chatbots and Customer Relationship Management (CRM) systems to streamline operations, although concerns about AI dominance in media channels persist among SMEs trying to differentiate their brands.[150] Programs such as training grants and wage subsidies help SMEs manage financial strain imposts while innovating their operations[151] or adopting eco-friendly practices to meet consumer demand for transparency in ESG efforts.[152]

Seventy-four per cent of consumers prefer brands with transparent ESG practices, driving demand for personalistaion and sustainability.[153] Shifting consumer behaviour is driving SMEs to leverage AI-driven tools to deliver tailored services to improve customer loyalty, such as AI-powered chatbots that enhance customer insights, while reducing operational costs.[154]

Large enterprises are adopting hybrid shopping models that seamlessly integrate online and in-store experiences, with AI-curated discounts and tailored marketing strategies becoming key differentiators.[155] Sustainability reporting requires large firms to disclose emissions data and transition plans for sustainable operations, with younger consumers (18–34 years) particularly willing to pay more for sustainable products.[156]

Proposed Question for Workforce Plan 2026

What are the unique challenges faced by small businesses in terms of workforce development, and what opportunities exist for supporting their growth?

142. COSBOA. (2022). COSBOA calls on Albanese government to address worker shortages as a priority.
143. COSBOA & Commonwealth Bank of Australia. (2024). Small Business Perspectives Report 2024.
144. Ibid..
145. COSBOA. (2024). Small Business Skills and Training Needs Survey.
146. World Economic Forum. (2025). Future of Jobs Report 2025: Insight Report.
147. COSBOA. (2024). The Australian: New year brings new regulatory hurdles for small businesses.
148. COSBOA & Commonwealth Bank of Australia. (2024). Small Business Perspectives Report 2024.
149. Ibid..
150. Dunn, M. (2025). Generative AI adoption in Australia: Trends, demographics, and impact.
151. Australian Government Department of Employment and Workplace Relations. (2024). 2024–25 May Budget.
152. Abundance Global. (2024). ESG reporting for Australian SMEs: Framework and benefits.
153. COSBOA & Commonwealth Bank of Australia. (2024). Small Business Perspectives Report 2024.
154. National Australia Bank. (2025). Article: why business owners say 2025 is their make-or-break year of tech.
155. World Economic Forum. (2025). Future of Jobs Report 2025: Insight Report.
156. Ibid.

Summary

Australia's business landscape is rapidly evolving due to workforce, regulatory, and consumer shifts. Between 2021 and 2024, significant growth was observed in the Professional, Scientific, and Technical Services sector, driven by high-value activities such as management consulting and advanced technical research.

Despite this growth, businesses face challenges including workforce shortages, regulatory complexities, and the need for digital transformation. Small businesses struggle with high costs and regulatory demands, while large enterprises navigate sustainability compliance and workplace law updates.

Digital transformation, AI adoption, and cybersecurity are critical for enhancing productivity and for protecting against threats.

Consumer behaviour is shifting towards personalisation and sustainable products, with businesses leveraging AI-driven tools to meet these demands.

Understanding these trends will help businesses prepare for the future and leverage opportunities for growth and competitiveness in a rapidly evolving environment.