



## Introduction

Welcome to the latest edition of the DFP Technology & Project Job Index and an analysis of job advertisement data specific to the national Project Management market. This report provides a summary of the changes in hiring demand over the past 3 months, based on seasonally adjusted data.

The first data from 2024 shows that hiring demand for technology and project roles declined by 3.9% over the past 3 months. Most job categories continue to record falls, however the rate of decline across the sector has slowed.

Nationally, Western Australia posted a solid result to commence the year with a 15.7% increase. The largest declines were in NSW and Victoria, falling 8.5% and 9% respectively. Hiring demand was well up in Tasmania, however, results in the smaller states can be more volatile due to lower volume of roles.

In the report, we analyse various occupational groups and most categories fell this quarter with Project Managers falling the furthest. There was

some brighter news for Analysts with a number of Analyst categories recording positive results. This included Finance Analysts, Business Analysts and Operational Analysts recording an increase in vacancies.

Of the Industry Sectors, Mining, Construction & Utilities was the stronger performer over the quarter. Conversely, the largest fall in demand was in Health Care & Social Assistance.

Through artificial intelligence, we break down the data to ensure each sector and state can access the latest hiring trends. As market challenges persist, we will continue to monitor the data and provide the latest reporting for employers and job seekers throughout 2024.

## National Job Index

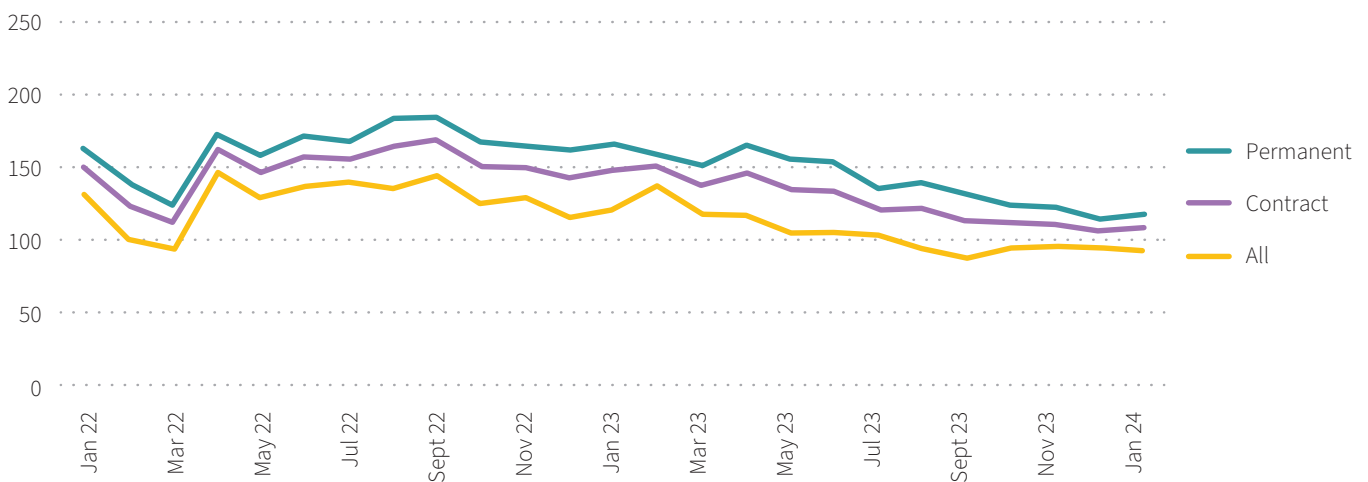


Chart 1 National Time Series Analysis

The January quarter saw further contraction in job postings and the DFP Technology and Project Job Index fell by 3.9% in the last 3 months. This is the fourth consecutive quarterly fall taking the aggregate decline over 12 months to 27.3%.

## Job Type Analysis

The Australian employment market has been retreating primarily as a consequence of high inflation and a deliberate policy of the RBA to reduce it by raising interest rates. The decline in the Technology and Project space is well above the national norm.

The positive news is that the rate of decline is slowing – 16% in Q3 2023, 8.5% in Q4 and just 3.9% this quarter. It appears too early at present to suggest that there will be a major recovery in 2024. Some stabilisation of the rate of decline will be of comfort to job seekers.

This quarter the most significant decline was in Permanent job opportunities, down 5%. This takes the annual decline to 29.4%. Contract roles fell by 1.8% over the quarter and is now 23.3% lower annually. Job seekers and those renegotiating contract rates must be cognisant on the flow on effect on salaries and rates and may need to adjust their expectations accordingly.

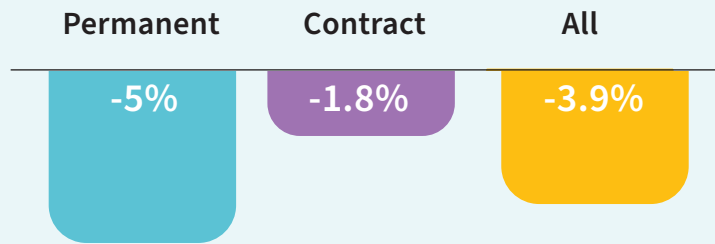


Chart 2 Change in Job Index by Job Type for 3 months, Q1 2024

## Occupational Analysis

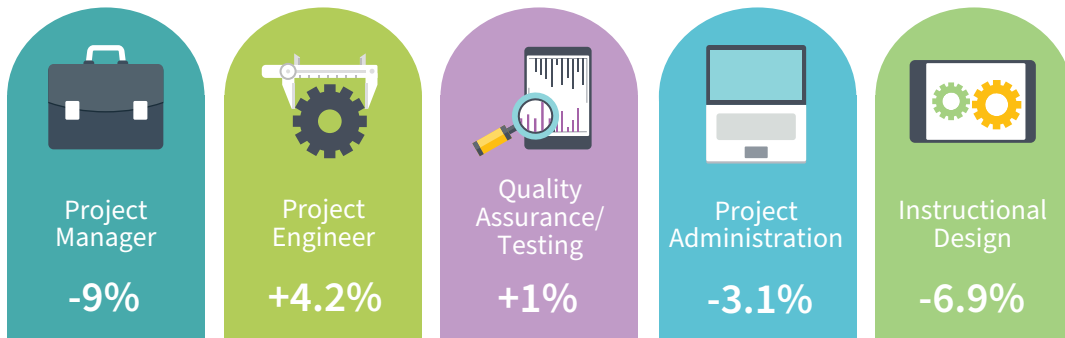


Chart 3 Change in Job Index by Occupation for 3 months, Q1 2024

The only occupations to rise in this cohort of job clusters were Quality Assurance / Testing (up 1%) and Project Engineers (up 4.2%). QA roles also rose in Q4 2023. Project Engineering roles did fall marginally in Q4, however both represent the more resilient occupations in the sector.

The biggest decline in the quarter was for Project Managers, down a further 9%. The 30% decline over 12 months illustrates the downturn in market impacting this sector.

Project Administration and Instructional Design both suffered their fourth consecutive decline. At 3.1% and 6.9% respectively they are examples of where the rate of decline is decreasing compared to 2023.

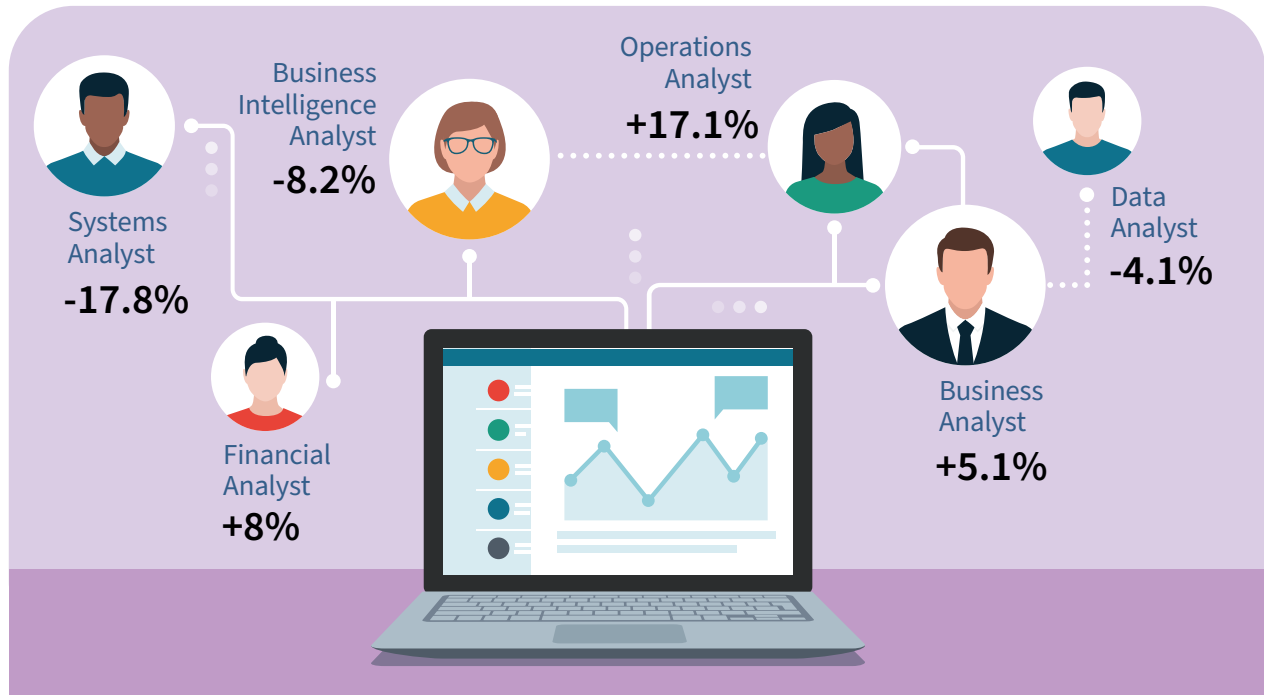


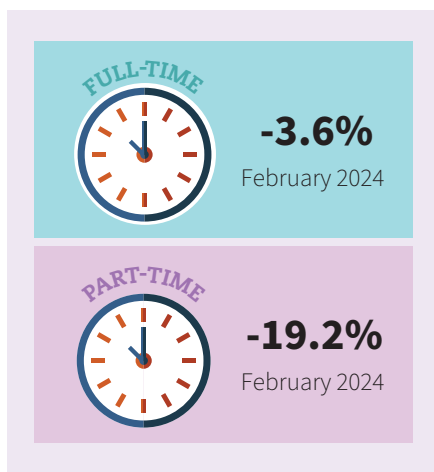
Chart 4 Change in Job Index by Analyst Occupation for 3 months, Q1 2024

In relation to Analyst roles the results are mixed. Good news for Financial Analysts and Business Analysts as job opportunities increased by 8% and 5.1% respectively.

The standout occupational category was Operations Analysts where a 17.1% recovery largely eliminated a sizeable fall in Q4. While demand is still down 28.2% year-on-year, last January was a record high. Therefore, the fall has been from a high base.

Demand for Data Analysts has fallen in four successive quarters. This is a significant change since late 2021, post pandemic, when the Data Analyst job index reached 361 in October that year. Despite a 27.6% decline year-on-year, the index for this occupation remains above 200 (211.38) demonstrating there are still a healthy flow of job opportunities in what is a more balanced market.

## Hours Worked Analysis



The last 3 months saw another double-digit decline in Part-Time job opportunities. Only one quarter in the last 4 quarters has been positive. The aggregate decline of 39% represents a shift by employers away from Part-Time job offerings.

Part-Time opportunities have been used as a strategic initiative during substantial talent shortages post Covid. However, a greater shift towards Full-Time preferences by employers has returned now that the market is more balanced.

Chart 5 Change in Job Index by Hours Worked for 3 months, Q1 2024

## State Analysis

The 15.7% rise in Western Australia stands out and is of stark contrast to all other regions. Over the longer period, WA's annual decline of 13.7% is also the best of the major states and territories. The strength of the Mining and Resources sector accounts for the optimism within the WA jobs market, and filters through most industry sectors in the local market.

The declines in NSW (8.5%) and Victoria (9%), as the larger employment markets, are of greatest concern. Melbourne and Sydney would be home to the majority of our startups and early stage enterprises, and funding cuts from Venture Capital and Private Equity funds impacts these markets. Year-on-year Victoria is down 38.2% and NSW is down 33.5%. Commentary on interest rate relief later in the year will likely take time to filter through to the technology startup landscape.

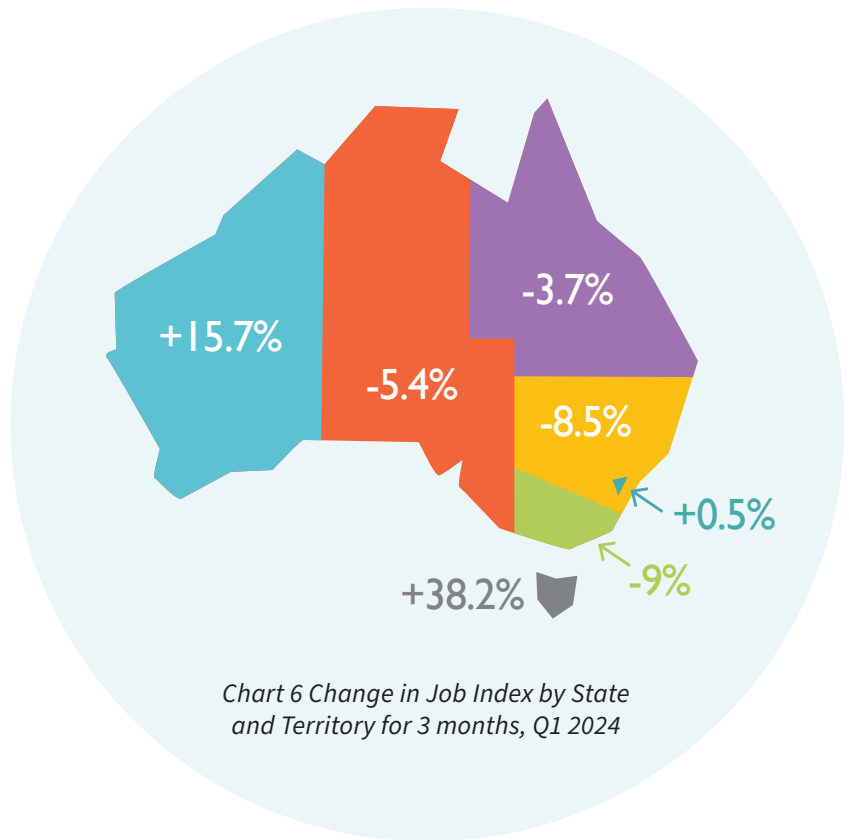


Chart 6 Change in Job Index by State and Territory for 3 months, Q1 2024

## Industry Analysis



Chart 7 Change in Job Index in Selective Industries for 3 months, Q1 2024

The Mining, Construction and Utilities sector continues to perform the best, up 10.1% this quarter, adding to a rise of 6% in Q4 2023. Employers in these sectors are less impacted by the contraction in the startup and enterprise technology space. They are more large scale established blue chip companies, and in the case of Mining, benefiting from uncertain geopolitical developments.

The Information, Media & Telecommunications sector itself continues to struggle and the 12.8% decline in the last 3 months takes the annual decline to 40.4%. This decline is also 61.3% over 2 years.

Professional, Scientific and Technical (inc IT) services has experienced a change in demand. The sector has been savaged by fall out from large consulting firms tax scandals and the review of consulting services to large government projects. Vacancies collapsed 33.8% in the September quarter, however in the last 3 months demand actually rose 0.5%. The annual decline is still 43.9% but at least the worst may be over. The next 3 months will be interesting.

The worst declines in the January quarter were in Healthcare and Social Assistance, down 27.7% and Manufacturing and Supply Chain, down 19.9%. Healthcare really has been slowing post pandemic, while the latter has suffered 4 consecutive declines adding up to a 44% annual contraction, the hardest hit sector.

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## Why DFP Recruitment?

Having operated for over 30 years, DFP Recruitment has partnered with clients across key industries on a state and national scale. We offer national coverage, local knowledge and combined industry expertise in the IT and Project space spanning over 25 years.

Candidates represented by DFP Technology are focused on best practice delivery and supported by formal qualifications and experience in their field. These candidates are differentiated in the candidate market by evidence of delivering on time, within budget as well as ensuring the benefits of projects are realised by the business and end users.

DFP Technology also provides candidates and clients with market intelligence through National Job Index reports, Surveys of IT and Project professionals as well as a dedicated LinkedIn group.

### Specialist areas in the DFP Technology space across IT and Project Professionals include:

- Business Process and Technology Transformation
- Digital
- Business Intelligence including Data Scientists
- Cloud Technology
- Cyber Security

## National Coverage, Local Knowledge.

We have offices in Australia's major cities and a recruitment team consisting of over 120 employees.

Victoria **Melbourne (Head Office), Mulgrave, Boronia, Traralgon**

New South Wales **Sydney, Parramatta**

Australian Capital Territory **Canberra**

Queensland **Brisbane**

South Australia **Adelaide**

Western Australia **Perth, Kalgoorlie**

