NEWS RELEASE

AI to close 600k worker gap across Australia's critical industries

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Buoyant labour market to see 1.68m jobs boom by 2028, with AI solving a major resource deficit across healthcare, government and education.

Sydney, Australia – 23 September 2024 – Workers in critical industries will be the biggest winners in Australia's artificial intelligence (AI) revolution, with emerging technologies to plug persistent skills gaps nationwide, according to new research commissioned by ServiceNow, the AI platform for business transformation.

1.68 million jobs would need be added to the economy over the next five years to meet projected GDP growth* – higher than the expected rate of workforce growth by up to 600,000 workers. This could leave one in three positions vacant and employers scrambling to entice workers from the same talent pool. The research commissioned from the world's leading learning company, Pearson, shows that AI and emerging technologies can save business' time and rebalance the deficit, reducing the worker gap to 860k**, in line with the expected workforce growth of the local economy***.

The healthcare sector will undergo the greatest increase in overall headcount, requiring 348,000 new roles to be filled by 2028. A worker surge is also predicted for government (54,900) and education (49,600). This includes 160,000 tech jobs required to implement and maintain emerging technologies, like AI, so businesses can realise the economic benefits.

Identifying skills pathways to rebalance the job market

Workers from entry-level grads to seasoned executives who embrace AI upskilling today will be better placed to

transition into the new jobs. Acquiring just a few new skills could unlock alternative career pathways with greater earning potential.

For example, Medical Receptionists – among the jobs most impacted by emerging technologies – can train in skills such as basic IT Systems and Customer Support to create a pathway towards a Computer User Support Specialist and take advantage of 660 jobs added across the healthcare industry in the next five years. In some cases, this could also lead to a 43 percent increase in salary, by comparing SEEK average salary data for the two roles.

In government, Document Management Specialists will see a decline in roles in the next five years due to tech transformation. However, if they upskill in areas like software development and leadership, they can create a pathway to become Computer and Information Systems Managers which could give them an increase in salary of 51 percent.

Embracing AI and upskilling key to economic growth

Leaders who proactively invest in talent and technology to sustain their workforce will not only secure a pipeline of skilled, high-value employees but also help ensure their organisations remain competitive in an increasingly automated world. To counter slowing productivity and address job vacancies, business leaders must consider adopting AI and invest in upskilling their workforce, now.

Dani Magnusson, ServiceNow Emerging Technology Director said: “Australians who focus their efforts on skills pathways that are industry-specific can grow fast within our critical industries. Education, healthcare and government employees could take the greatest leaps forward by using AI and emerging technologies at work. The skills required for upcoming roles increasing include both digital and business skills with very nuanced industry requirements. Employees should also use GenAI in their current roles as a tutor, or coach, to get ahead and build day to day skills or retrain themselves in specific tasks.”

“Smart leaders aren't relying on broad stroke promises of additional capacity or better job quality from AI and emerging technologies. Instead, they are making sure their teams are building skills portfolios that match the current and future needs of their industry to realise true productivity gains.”

There is strong demand for ServiceNow skills in Australia, as more than 60 percent of the ASX100 and over 100 government agencies and departments use the AI platform for business transformation. 7,498 Australians have been skilled on the company’s AI platform within the last 12 months. ServiceNow academic partnerships have also been established with Griffith University, LaTrobe University and Western Sydney University, providing valuable learning and industry certification opportunities for their students.

Digital transformation leader, Fujitsu, is also preparing their workforce for changes on the horizon by providing its employees with access to bespoke upskilling programs.

Meg Santos, Head of ServiceNow Asia Pacific at Fujitsu, said: "The skills gap is real, and so is the opportunity. Fujitsu's development programs, strong heritage in innovation, leadership and technology vision are powerful ways we're addressing this challenge. We're not just teaching new skills; we're fostering a culture of continuous learning, sustainability, and innovation. Our team members are empowered to embrace the challenges and opportunities presented by AI and emerging technologies.

Pearson Director of Data Science Sandya Raj said: "In a world where people are living and working longer, and having multiple careers, insights from this latest Pearson research provides guidance on where individuals should focus their training, education, and learning. Employees and employers should look at how they can ride this wave of change by looking ahead, being prepared and using the best of AI and the best of human skills together."

Case study:

After 5 years in the market research industry, Sydney-based Jia Yee Chan decided to make a job switch after finding the sector lacked growth opportunities. She had an interest in technology and automation, and had taught herself how to code, however lacked the formal qualifications to begin a new career in the sector. She discovered the ServiceNow bootcamp, which saw her become upskilled in just three months, leading her to begin a role as a Developer at ND & Co.

She says that: "Starting a new role in a different field can be daunting, but with the knowledge that I can overcome challenges using analytical, people management, and problem-solving skills cultivated from my previous experiences, I performed the new role with confidence. Coming in to work every day and knowing there is more to learn is exciting to me. I am learning technical specialisms in platform engineering now, which is the next steppingstone for my growth and career journey. A benefit of making this career switch is that there is an abundance of opportunities for growth, keeping me constantly stimulated and empowered."

*Expected economic growth data: OECD future GDP growth expectations for Australia are 2.5%, on average.
** Net Change figure of jobs added (860k) is calculated by Economic Impact (+1.68M) + Jobs Added (+160K) + Capacity Gain (-390K) + Automation (-590K)
***Population growth data: World Bank projections on future population growth in Australia.

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Research Methodology:

Faethm by Pearson's Labour Market Insights (LMI) modelling predicts how jobs and industries will change over the next 1 to 15 years, considering the impact of emerging technologies and economic trends, assuming moderate technology adoption and expected future economic trends, including population growth. For Australia, the baseline of the country's labour market is sourced from census and labour force survey data; economic growth projections are from the OECD.

By analysing current time spent on tasks within jobs, the model identifies how emerging technologies can assist or complete these tasks, allowing humans to focus on higher value tasks. Each of the 80,000 tasks in Pearson's ontology is assigned the most likely emerging technology to impact it, with the degree of impact varying by role, industry, and country. Combining these factors, the model provides insights into the shift at the task, job, and industry levels, offering a comprehensive view of the economy.

About ServiceNow:

ServiceNow (NYSE: NOW) is putting AI to work for people. We move with the pace of innovation to help customers transform organisations across every industry while upholding a trustworthy, human centered approach to deploying our products and services at scale. Our AI platform for business transformation connects people, processes, data, and devices to increase productivity and maximise business outcomes. For more information, visit: **www.servicenow.com.**

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