

Future of Jobs Report 2025-2030

Snapshot 2: Impact on skills

JANUARY 2025



Ai Group Centre for Education and Training once again collaborated as the Australian survey partner for the **World Economic Forum Future of Jobs Report 2025**. This continues an ongoing collaboration for the biennial reports.

The survey brings together the perspective of over 1,000 employers who collectively represent more than 14 million workers across 22 industry clusters and 55 economies from around the world. The survey examines how macro trends impact jobs and skills, and the workforce transformation strategies employers plan to embark on in response, across the 2025 to 2030 timeframe.

Snapshot 2 outlines global skill instability levels, core skills needed and fastest growing skills, intended strategies to meet skill demands, public policy favoured, and compares Australia-specific findings.

JANUARY 2025



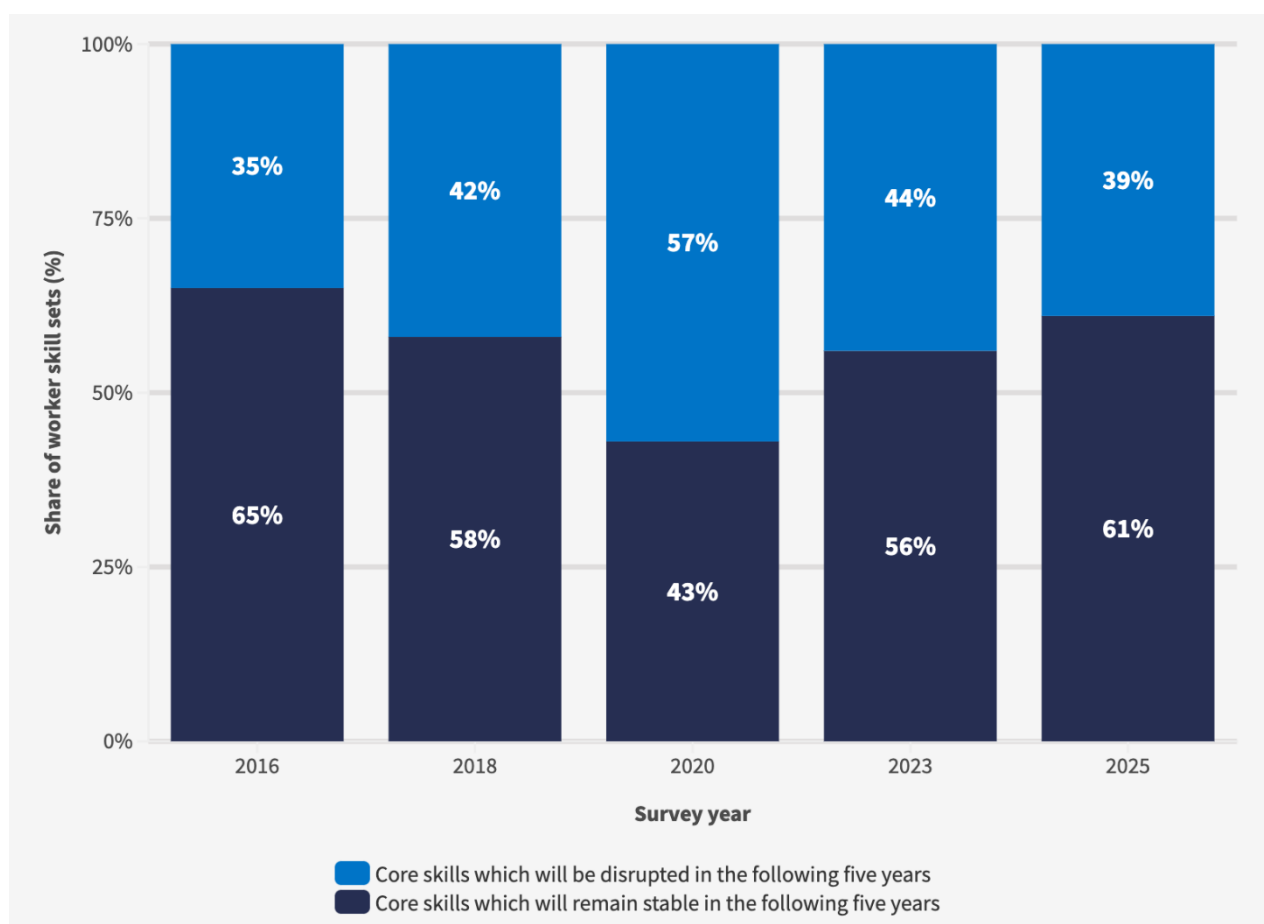
Impact on skills

Skill instability

Over the 2025-2030 period, skill instability, caused by global transformation drivers, indicates workers globally can expect 39% of their existing skill sets to be transformed or to become outdated. While significant, this measure has slowed compared with 44% in the 2023 edition and 57% in the 2020 edition during the pandemic.

This finding could potentially be due to an increasing share of workers (50%) having completed training, reskilling or upskilling measures, compared to 41% in 2023.

Forecast of skill instability over the next five years

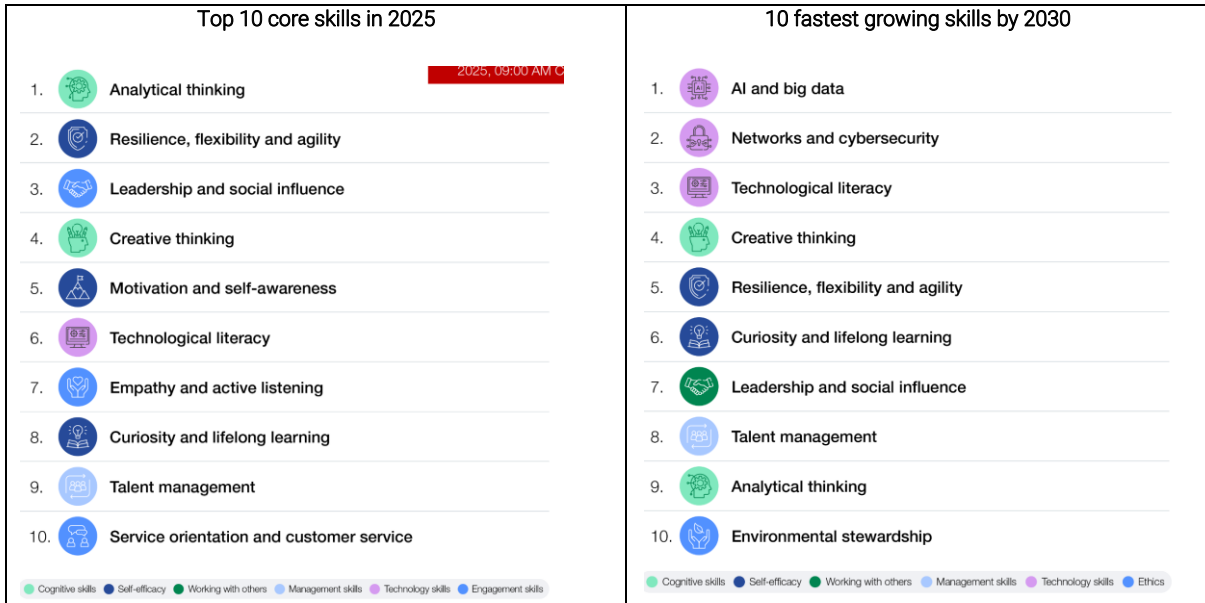


Source: *Future of Jobs Report 2025*, World Economic Forum

Top core skills and fastest growing skills

Seven out of ten employers globally consider the most sought-after core skill in 2025 to be **analytical thinking**. This is followed by **resilience, flexibility and agility**, as well as **leadership and social influence**. Analytical thinking remains the most sought-after core skill from 2023, while the other top skills have increased their ranking. These skills reflect the value employers increasingly place on transferable skills - cognitive skills and working with others.

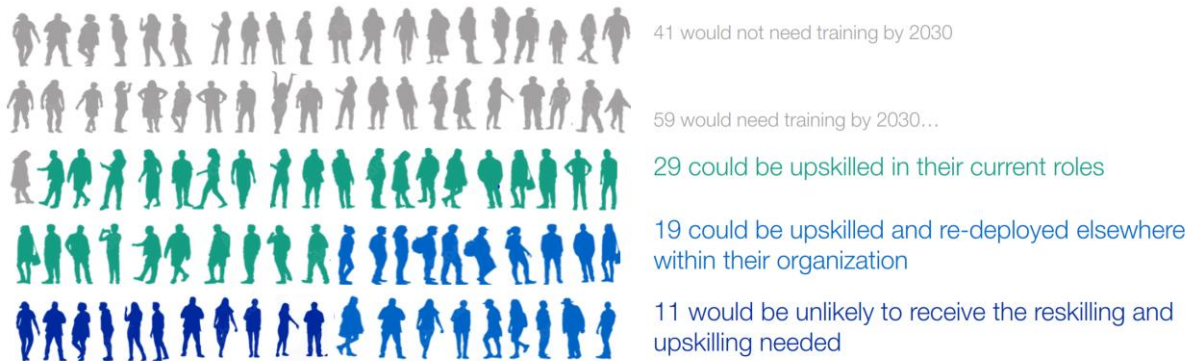
However, the fastest-growing skills globally in 2025 are **AI and big data**, followed by **networks and cyber security**, and **technology literacy**.



Source: Future of Jobs Report 2025, World Economic Forum

Significant need for upskilling

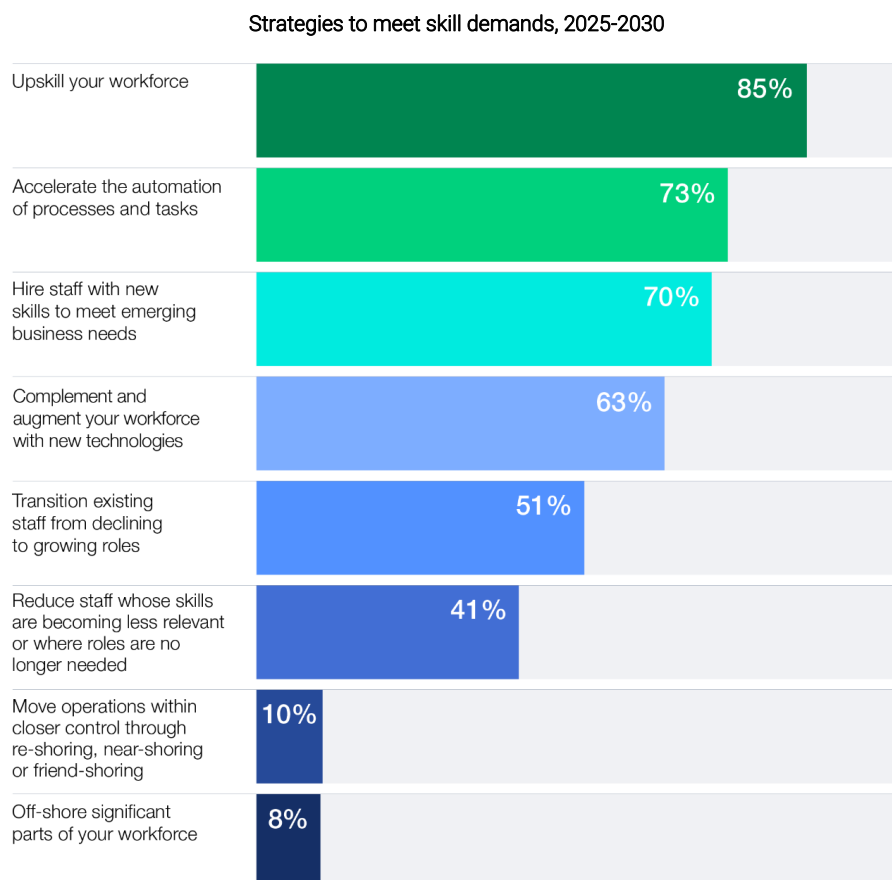
Given these evolving global skill demands, the scale of workforce upskilling and reskilling expected to be needed remains significant. If the world's workforce was made up of 100 people:



Source: Future of Jobs Report 2025, World Economic Forum

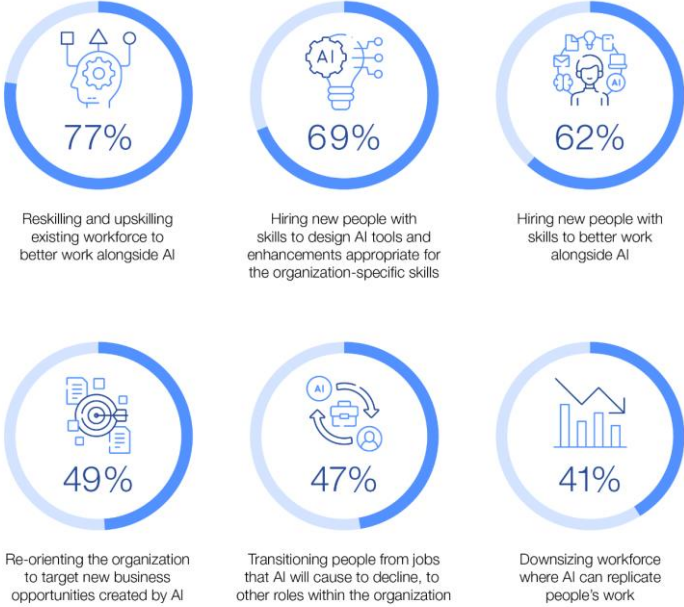
Strategies to meet skill demands

With skill gaps the major barrier to business transformation globally, 85% of employers plan to prioritise **upskilling their workforce** as the main strategy over the 2025 to 2030 period. 70% of employers expect to hire staff with new skills and 41% plan to reduce staff whose skills are becoming less relevant or where roles are no longer required.



Source: *Future of Jobs Report 2025*, World Economic Forum

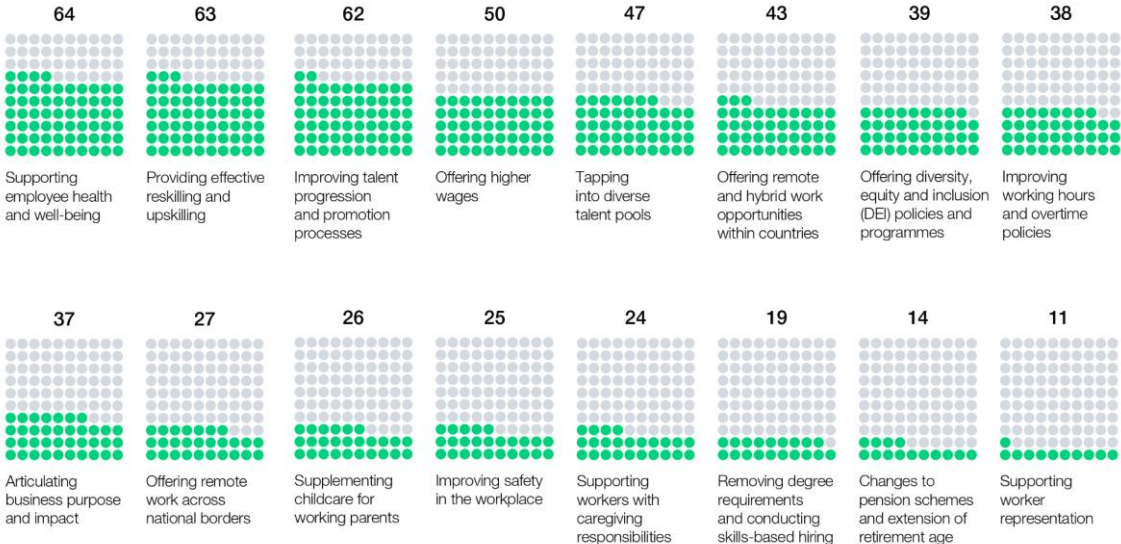
As a response to AI, half of all employers globally (49%) plan to reorient their business to target new business opportunities created by AI. To enable this employers plan to undertake skill strategies during the 2025-2030 period. 77% of employers will reskill and upskill their existing workforce to better work alongside AI, while 69% intend to hire new people with skills to design AI tools and enhancements appropriate for organisation-specific skills.



Source: Future of Jobs Report 2025, World Economic Forum

Supporting employee health and wellbeing is expected to be a top focus for talent attraction globally, with 64% of employers surveyed identifying it as a key strategy to increase talent availability. Effective reskilling and upskilling initiatives, along with improving talent progression and promotion, are also seen as having high potential for talent attraction.

Strategies to increase talent availability



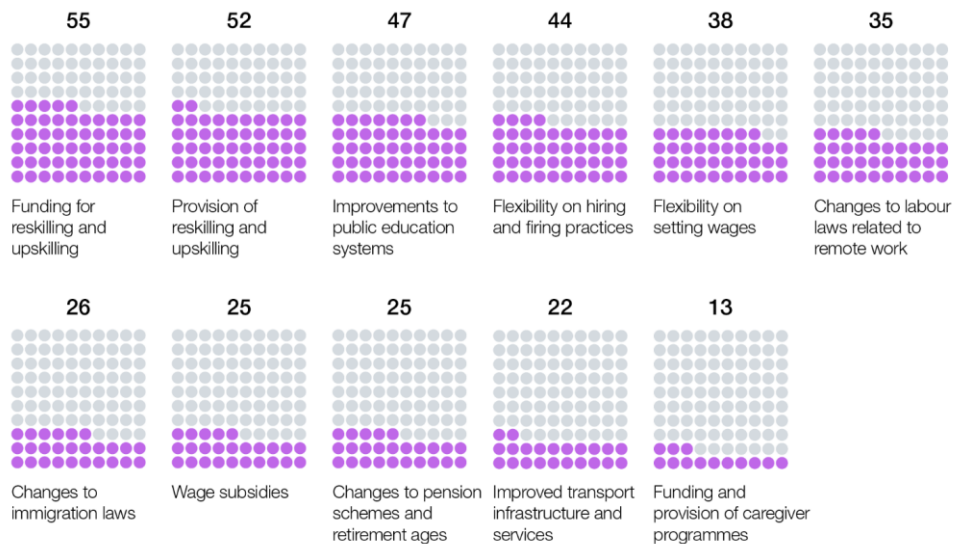
Source: Future of Jobs Report 2025, World Economic Forum

The potential for tapping into diverse talent pools to expand talent availability is recognised by a much greater share of employers globally, 47% compared to 10% in 2023. Diversity, equity and inclusion (DEI) initiatives are reported by 83% of employers, with women considered the highest priority group, followed by those with disabilities.

Public policies to support talent availability

Funding for – and provision of – reskilling and upskilling are the two public policies most favoured by employers globally to increase talent availability, with 55% and 52% of employers, respectively, suggesting these policies. A related measure – improvements to public education systems – follows, with 47% of employers seeing the need for this policy.

Public policies for talent availability



Source: *Future of Jobs Report 2025*, World Economic Forum

How Australia compares

From 2025-2030 Australian employers expect slightly lower skill instability than the global average. Skills disruption, at 35% compared to 39% globally, means that employers expect fewer skill sets to be transformed or become outdated in Australia. This represents decreasing expectations of skill disruption for Australian employers, 40% of whom anticipated disruption in 2023.

Australia is largely aligned with global peers on the most sought-after core skills – analytical thinking; resilience, flexibility and agility; leadership and social influence; and creative thinking, as well as the fastest-growing skills - AI and big data; networks and cyber security; and technology literacy.

However Australian employers differ in their priorities for solutions to skills gap issues. To address the increasing need for skilled talent, 45% of Australian employers favour changes to immigration laws to attract global talent, compared to a much lower global average of 26%. This suggests the need for migration to be better balanced with domestic skills supply through cross sector-coordinated planning, improving the identification of skills in demand, looking at regional needs and ensuring those with the right specialist skills are attracted.

Recognising the benefits of tapping into diverse talent pools and setting clear DEI goals are also a more prominent part of talent strategies among employers in Australia, highlighted by 65% of employers compared to 47% globally. 88% of Australian employers already report undertaking DEI initiatives compared to the global average of 83%. This represents a 14% increase for Australia since 2023.

Building the capability and size of Australia's workforce now and over the coming years has never been more critical. With skill disruption, new and evolving skill demands, particularly in technology-related fields, and a substantial need for reskilling and upskilling, the considerable effort being made by employers to diversify, upskill and support their workforces must be complemented by effective public jobs and skills policies over the 2025-2030 period.

Included must be strategies to build talent for new and emerging roles; funding for, and provision of, broad reskilling and upskilling; and strategies to support diversity, equity and inclusion, and displaced and mature-aged workers.



Ai Group Centre for Education and Training
Level 5, 441 St Kilda Road, Melbourne VIC 3004 Australia
Email: cet@aigroup.com.au www.cet.aigroup.com.au

