

Press release

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Data shows low unemployment rate driving more salary negotiations

- 45% of Australian employers report more shortlisted candidates have negotiated compensation packages this year compared to last year, while 40% have experienced more existing employees doing the same
- Salary (44%) is more common than non-salary perks (22%) to be negotiated
- 34% of shortlisted candidates and existing employees want to negotiate **both** salary and non-salary compensation factors

Sydney, 19 September 2023 – Job candidates and existing employees are more frequently negotiating compensation packages compared to last year, research by specialised recruiter [Robert Half](#) finds.

This comes as another symptom of Australia’s historic low unemployment rate, which has remained at 3.7% from the latest ABS Labour Force statistic.

“In an era defined by skills shortages, employers are witnessing a growing frequency of compensation negotiations, where the pursuit of talent meets the constraints of a squeezed marketplace,” says **Nicole Gorton, Director at Robert Half**.

“As the demand for top talent continues to outgrow the available supply, organisations are finding themselves reconciling the requirements of their business with those of their employees too. They must entice and retain skilled professionals while navigating the constraints of budgets and company policies. In this environment, compensation negotiations have become a critical tool for both employers and employees.”

Jobseeker negotiations ramp up

Between shortlisted candidates and existing employees, candidates are more likely to enter compensation negotiations, which indicates that applicants may feel they have a stronger hand during the interview stage.

	More are negotiating compared to last year	Fewer are negotiating compared to last year	About the same are negotiating compared to last year
Shortlisted candidates	45%	30%	25%
Existing employees	40%	26%	34%

Independent survey commissioned by Robert Half among 300 business leaders including 100 CFOs, 100 CIOs, and 100 general hiring managers.

More workers are negotiating non-financial benefits

Between monetary and non-monetary compensation measures, 44% of employers report having more salary discussions, 22% report having more non-monetary compensation talks, and 34% report an increase in negotiations for **both** monetary and non-monetary perks.

Non-monetary compensation measures include increased time off, hybrid or remote work, and professional development opportunities.

“The cost-of-living crisis means financial compensation is front of mind for workers who are more willing to test the negotiation waters this year,” says Gorton.

“While salary is still king, there is an uptick in professionals who want to amend their benefits to facilitate a greater sense of work-life harmony and options for professional development. Employers need to remember that a company’s perk and benefit structure is reflective of their wider company culture. Innovative and comprehensive offerings not only help attract and retain top talent, it can also support a long-term talent pipeline of employees and help build overall staff engagement.

“Before entering negotiation discussions, professionals should keep in mind that they will need to provide evidence as to why their efforts should be rewarded with an improved compensation package, and ensure their requests are reasonable,” concluded Gorton.

Tips for jobseekers to negotiate their compensation

Jobseekers who want to negotiate the compensation package with an employer can take several steps to best position themselves for the conversation.

Research industry trends

It is important to be realistic about the current market value of your skills and experience. To understand the salary and benefits landscape of your industry, consult the [Robert Half Salary Guide](#). It outlines the current salary range of thousands of roles. Jobseekers can also use filters to highlight the salary range being paid to employees in their geographical area.

Build your case

Before negotiating salary, prepare to explain why you deserve more by listing concrete examples of how your skills and experience will benefit the company’s bottom line. By highlighting your strengths and detailing the extra benefits the company will receive with someone of your unique experience, you will make a solid case as to why you should be paid more.

Factor in perks and benefits

Negotiations by nature involve give and take. Define what is most valuable to you that would make the offer more attractive, either financially or non-financially. Take into consideration perks being offered, such as professional development opportunities, that you may not have considered. If you have received offers from multiple employers, directly compare all perks and benefits such as health insurance coverage, retirement savings, employee discounts, allowances and subsidies.

Know when to quit

Identify the lower limits or the non-negotiables that you are prepared to accept before entering the negotiation, and if the company cannot meet your requirements after a few discussions, respectfully withdraw your application. It is better to focus your own needs as well as that of the potential employers’ on opportunities that better match expectations.

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Notes to editors

About the research

The study is developed by Robert Half and was conducted online in June 2023 by an independent research company, surveying 300 hiring managers, including 100 CFOs and 100 CIOs, from

companies across Australia. This survey is part of the international workplace survey, a questionnaire about job trends, talent management, and trends in the workplace.

About Robert Half

Robert Half is the global, specialised talent solutions provider that helps employers find their next great hire and jobseekers uncover their next opportunity. Robert Half offers both contract and permanent placement services, and is the parent company of Protiviti, a global consulting firm. Robert Half Australia has offices in Brisbane, Melbourne, Mount Waverley, Perth, and Sydney. More information on roberthalf.com.au.

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