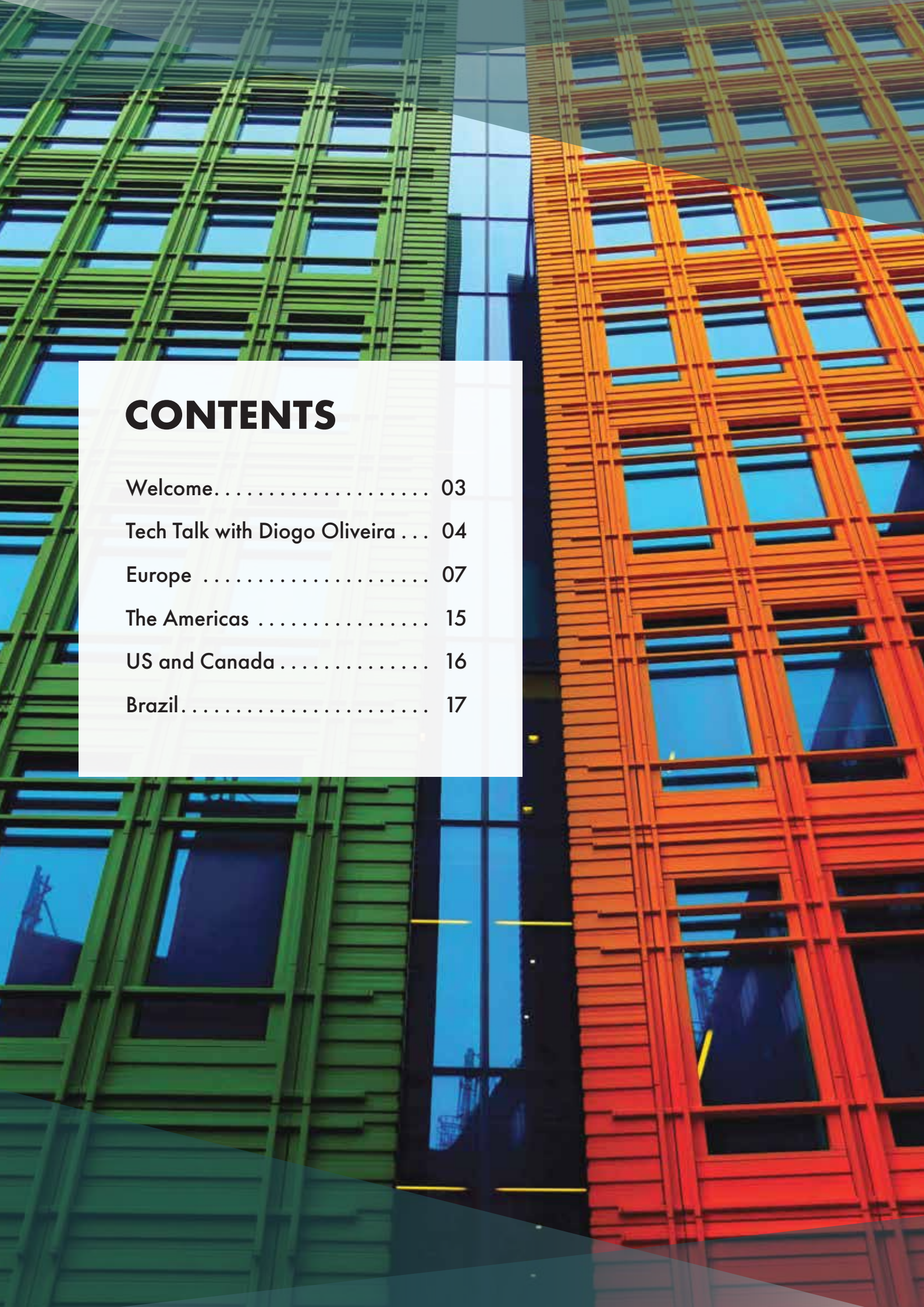
SPARKYHEADS

Tech Market & Job Trends

January 2024



CONTENTS

WELCOME

Brunno Ribeiro, Managing Director at SparkyHeads

Welcome to the January 2024 issue of our Tech Market & Job Trends Newsletter. In this edition, we continue our exploration of the dynamic landscape of Information and Communication Technology (ICT) across various global sectors to bring you the latest insights.

As we enter the new year, this issue explores the connection between job vacancy and unemployment. We also delve into remarkable trends in the ICT labour market throughout 2022 (Q3) and 2023 (Q3).

> Examining key facets such as job vacancy rates, employment dynamics, and salaries, our comprehensive insights reveal intriguing patterns and significant shifts within the technological job sphere.

From high job vacancy rates indicating demand and dynamism to fluctuations in employment figures and evolving salary landscapes across continents, this edition uncovers the dynamics of the tech market and workforce.

We invite you to navigate through the contrasting landscapes of global regions, dissecting trends, variations, and emergent patterns that shape the present and potentially forecast the future of the global ICT workforce.

Also in this issue, an inspiring chat with Diogo Oliveira, a dynamic entrepreneur with a passion for addressing global social challenges.

Finally, it's crucial to note that our analyses rely on data obtained from trusted sources like Eurostat, the Office for National Statistics UK, and ILOSSTAT, supported by additional reliable sources.

About SparkyHeads

At SparkyHeads, we are more than just a tech recruitment company. Our unique expertise enables us to partner with tech organisations of all sizes, ensuring the perfect match between talent and positions.

Our core values of honesty, quality of work, partnership, expertise, empathy, and diversity form the bedrock of our operations.

For further information about us, please visit our website at https://www.sparkyheads.com/.

We hope this reading provides you with an exciting overview of the global tech market along with valuable perspectives on the constantly changing tech job scene.

Thank you for choosing our newsletter! ▲

tech talk with **Diogo Oliveira**

In the first issue of the year, we are thrilled to introduce **Diogo Alves de Oliveira**, a dynamic entrepreneur with a passion for addressing global social challenges.

Diogo's journey in the tech industry is a testament to his resilience and commitment to continuous learning.

After successfully founding and exiting a six-figure e-commerce venture, he transitioned into the realm of HR tech, where, as CEO, he led the company to unprecedented success, scaling revenues from €2M to over €10M annually.

Diogo is not only a seasoned professional but also an advocate for collaboration, equality, and diverse perspectives.

His vision extends beyond business success, as he actively fundraises for an AI-driven networking app, aiming to create a more connected and fair world. We're excited to hear Diogo's insights and experiences in our January Tech Talk.

Brunno: Thanks for joining us for this edition, Diogo. Becoming the CEO of LandingJobs, a prominent tech recruitment platform, before the age of 30 is indeed a remarkable achievement.

Can you share insights into how you navigated such a significant leadership role at such an early stage in your career?

Diogo: Thank you, Brunno, for this opportunity to share my journey. My professional journey began at Siemens, but my entrepreneurial spirit thrived through a side venture — an e-commerce platform for Portuguese regional products, which we successfully sold after three years. This experience was invaluable, yet I needed to experience the dynamic pace of a start-up. That's when I joined LandingJobs.

Admittedly, I was a novice in both the industry and my role. But armed with big determination, I quickly evolved into the most dedicated team member, translating my efforts into tangible results. Within just four months, I was invited to lead the Sales department, growing the team from zero to twenty people in three years. My leadership style was always hands-on and empathetic, fostering a close-knit team dynamic.

As I contemplated my next challenge, fate intervened. The founders of LandingJobs were transitioning to less active roles and saw in me the potential to lead the company. I was 28, fuelled by grit, hard work, and a wealth of diverse experiences. The decision to step up as CEO was immediate, driven by the conviction that I was ready for this new chapter.

Brunno: Now that you're embarking on your independent venture, **could you share some insights about your new project?**

Diogo: Embarking on the remarkable journey with LandingJobs was a pivotal chapter in my life, yet I needed to begin anew, this time with a project possessing global aspirations and the potential to address more significant challenges. This led me to a realization during my tenure as CEO of LandingJobs: the essential need for swift learning and effective mentorship.

My quest for knowledge was hindered by conventional methods.

Books and online articles were too slow, and my true need was direct support from seasoned professionals. Utilizing LinkedIn for this purpose, I encountered two major obstacles: the platform's limited search capabilities hindered finding the right people, and my outreach often met with low acceptance rates, perhaps influenced by my Portuguese background. Online communities, whether on Slack or Discord, were either inactive or too localized in a small region.

This experience illuminated the challenges of building a business without a robust network. Building a network of meaningful professional connections is a time-consuming endeavour, often constrained by one's immediate surroundings and geographic limitations. Driven by this realization, I stepped down from my CEO position at LandingJobs to come up with a solution.

So, we created a platform that uses AI to revolutionize this process, instantly linking young professionals with the right connections at just the right moment. Our algorithms consider factors like industry, profession, skills, interests, and goals, providing users with an invaluable global network at their fingertips.

We are committed to the vision that connecting like-minded professionals, promoting collaboration and shared learning, can pave the way to a more efficient and interconnected world.

Brunno: In a highly competitive landscape with established players like LinkedIn and Xing, **how do you plan to differentiate your platform and create a distinct space for your project?**

Diogo: In the competitive landscape of professional networking, our platform stands distinct from the likes of LinkedIn or XING through three core differentiators.

Firstly, the moment you join our platform, we employ an advanced algorithm to pair you automatically and instantly with relevant individuals.

This approach contrasts with other platforms where building connections is a manual, time-consuming process dependent on others' acceptance.

Secondly, our network dynamically evolves in tandem with your career trajectory. As you transition into new roles or industries, our platform updates your circle of connections to align with your current challenges and experience level. Other platforms are static and do nothing.

Lastly, we bring transparency and authenticity to the forefront by highlighting genuine experts in each field. Our users are empowered to reward their peers for their expertise, transforming profiles into verified showcases of top skills and competencies. Other platforms are full of unverified self-narratives, leading to unreliable data.

These three components not only set us apart but also enhance the way professionals connect, learn, and grow within their careers, fostering a more efficient, accurate, and valuable networking experience.

Brunno: Why do you believe there is a growing interest from new companies and investors in the HR/Talent Tech space?

Diogo: The growing interest in the Talent Tech space is driven by the evolving dynamics of the modern workforce and the increasing value placed on human capital.

As work environments become more technology-centric and remote work rises, there's a pressing need for innovative HR solutions. These technologies streamline recruitment, improve employee engagement, and support a geographically diverse workforce, making the sector attractive for investment.

The integration of AI and machine learning also offers new efficiencies in talent management, from predictive hiring analytics to customized development programs.

In essence, the HRTech space is at the forefront of merging technology with human resource management, addressing contemporary workforce challenges. This makes it a compelling and lucrative field for forward-thinking investors.

Brunno: As an entrepreneur, reflecting on the challenges that tech companies faced last year, **how do you foresee the market evolving in 2024?**

Diogo: I anticipate a tech market that is more resilient and innovative. Companies are likely to prioritize sustainable growth, learning from past turbulence, with a cautious approach to investment and a focus on long-term viability.

Ethical practices and data privacy will also take center stage. Transparency and responsible tech practices will be crucial for gaining consumer trust.

In addition, I hope for a shift in investor focus, extending beyond the AI domain, especially beyond generative AI. The current investment trend in AI, while revolutionary, has led to venture capitalists often funding AI projects primarily due to a fear of missing out. VCs need to adopt a more strategic stance, directing their investments towards a broader range of innovative technologies. This approach will not only diversify the investment landscape but also foster advancements in various promising sectors, creating a more balanced and forward-thinking tech ecosystem.

Lastly, the remote work revolution will further influence technology development, particularly in tools that support virtual collaboration and productivity. In essence, 2024 will be a year where the tech industry thrives by embracing innovation, ethical practices, and flexible work environments.

Brunno: Finally, **do you have any piece of advice for anyone that wants to become a founder?**

Diogo: For anyone aspiring to become a founder, my advice is anchored in three key principles: resilience, focus, and determination.

Embarking on the journey of entrepreneurship is not for the faint-hearted. It demands unwavering resilience, as the path is often full of setbacks. Success rarely comes overnight, and it's vital to be prepared for the long haul.

Focus is equally crucial. In a world brimming with distractions and opportunities, maintaining a laser-sharp focus on your goals is essential. This means not just setting clear objectives, but also diligently working towards them every day. It's about the consistent pursuit of marginal gains, those small, daily improvements that compound over time to yield significant results.

Lastly, high determination is the fuel that drives founders forward. Many ventures fail not necessarily due to a lack of resources or opportunities, but because of a waning commitment to the vision.

In summary, to be a successful founder, cultivate resilience to weather the storms, maintain a focused approach for steady progress, and fuel your journey with unwavering determination. It's the commitment to these marginal daily gains, consistently over time, that paves the way to success.

Brunno: Thank you, Diogo. That was an inspiring and delightful conversation. We sincerely appreciate your insightful responses and valuable contributions to our readers. ▲

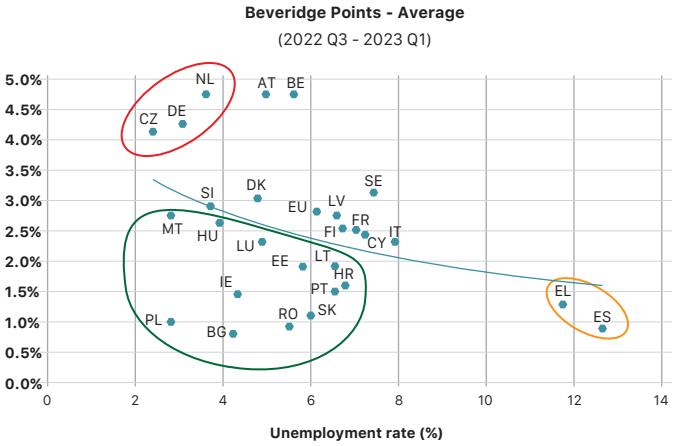
TECH TALK


EUROPE

Exploring the Connection Between Job Vacancy and Unemployment

To gain deeper insights into the job market's twists and turns, the Beveridge curve is used to reflect the dynamic interaction of Job Vacancy Rates (JVR) and unemployment.

The Beveridge curve is an economic representation where percentages on the y-axis reveal JVR, and those on the x-axis unveil the unemployment rate.



Adapted from: Eurostat - Job vacancy and unemployment rates.
Beveridge curve (December 2023)

(disclaimer: the data under presented corresponds to the whole economy (Industries, NACE) and not specifically to the Information and Communication – Economic Activity)

In the world of work, every country faces structural and cyclical unemployment. Structural unemployment stems from tech and demographic shifts, altering the job-seeking landscape.

Meanwhile, cyclical unemployment fluctuates with economic cycles—expanding in periods of recession and contracting during economic upturns. Picture this on the curve: countries lean left in prosperity and right in recession.

If both JVR and unemployment rates are high, it signals disparities across regions or industries. Conversely, low rates suggest an efficient labour market, spotlighting nations with seamless communication between job seekers and employers.

In the analysis presented, let's zoom in on cyclical unemployment, the ripple effect of the Covid-19 pandemic on JVR in EU member states.

2020 threw us all a curveball, catching even the most prescient off guard. The initial months witnessed low JVR, yet unemployment remained relatively unfazed. Eurostat attributes this to the pandemic's impact on sectors with seasonal work or challenges in long-term recruitment, such as Accommodation and Food Services.

Fast forward to 2021, and Information Technology and Communication (ITC) sectors saw a JVR surge in Q3, returning to pre-pandemic unemployment levels. The subsequent year, from Q1 to Q2 of 2023, paints a picture of declining JVRs while unemployment stays steady.

The 'Beveridge Points - Average' image (on the lest), witnesses the emergence of three distinct clusters of countries based on average JVR and unemployment rates (Q3 2022 - Q2 2023).

Top left (in red): The upward-thrusting economies of Netherlands, Czechia, and Denmark, showcasing high JVR and low unemployment—a sign of growth.

Middle (in green): Countries like Portugal, Poland, Belgium, and Ireland, where the labour market operates with fewer inefficiencies than the countries who are located immediately above the curve.

Bottom (in yellow): The realm of high unemployment, with Spain and Greece standing out, clocking rates above 12% on average and low JVR.

In the ever-evolving landscape of employment, understanding these patterns offers a glimpse into the nuanced relationship between tech, economics, and the job market.

EU

Job Vacancy Rate

In the realm of workforce metrics, the Job Vacancy Rate (JVR) serves as a critical indicator for tech job openings. This metric is derived by dividing the number of job vacancies by the sum of occupied positions and vacancies, multiplied by 100. It's crucial to note that the data presented is not seasonally adjusted.

Turning our attention to the Information Technology and Communication (ITC) sector in the EU, including Switzerland and the UK, a discernible categorization emerges. Countries can be broadly classified into three distinct groups based on their JVR:

1. High-Performers (Above 4%): This category encompasses nations where job vacancy rates consistently surpass 4%. These countries represent robust tech ecosystems with ample opportunities.

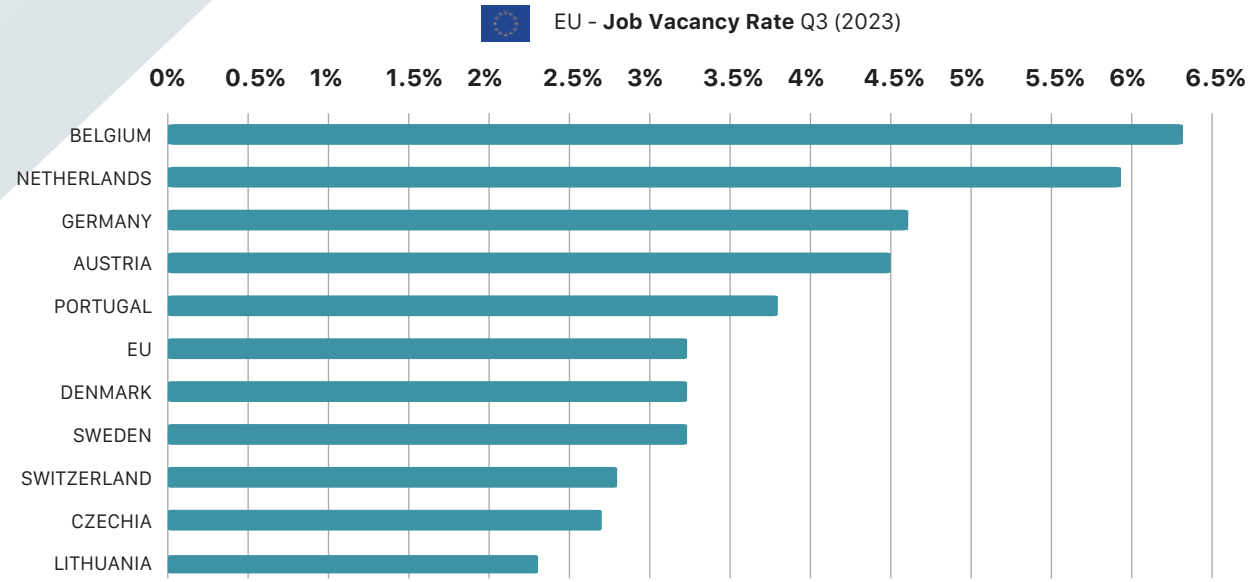
2. Moderate Range (Between 4% and 2%): Positioned in this group are countries maintaining job vacancy rates ranging between 4% and 2%. They strike a balance, offering a spectrum of opportunities within the tech sector.

3. Low Vacancy Rates (Under 2%): This group comprises countries characterised by consistently low job vacancy rates, below 2%. While the rates may be modest, these nations boast a steady stream of talent in pursuit of opportunities in the tech industry.

Delve into the figures with the awareness that they remain unadjusted for seasonal variations. This analysis aims to provide a nuanced understanding of the tech labour landscape, offering valuable insights for businesses navigating the dynamic world of employment metrics.

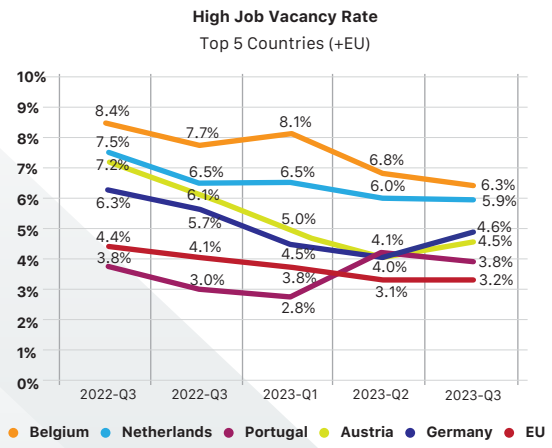
In the third quarter of 2023, the EU nations, on average, maintained a Job Vacancy Rate (JVR) of 3.2%. Elevated Job Vacancy Rates in specific countries signify a remarkable phenomenon: numerous open positions relative to the total available.

Such persistent high rates may indicate either challenges for employers in filling these positions or a dynamic labour market perpetually requiring new skilled professionals. This observation underscores the potential complexities businesses face in talent acquisition and emphasises the dynamic nature of the labour landscape within these regions.



Adapted from: Eurostat 2024

Countries with High Job Vacancy Rates



Source: Adapted from Eurostat (2024) and Office for National Statistics UK (2024)

In the third quarter of 2023, the trajectory of Job Vacancy Rates (JVR) in Belgium and the Netherlands, the two EU countries with the highest rates, displayed a notable decline.

Despite the decrease of 1.6 and 1.5 percentage points, respectively, when compared to the same period in 2022, these figures, still above the norm, do not necessarily denote a thriving labour market.

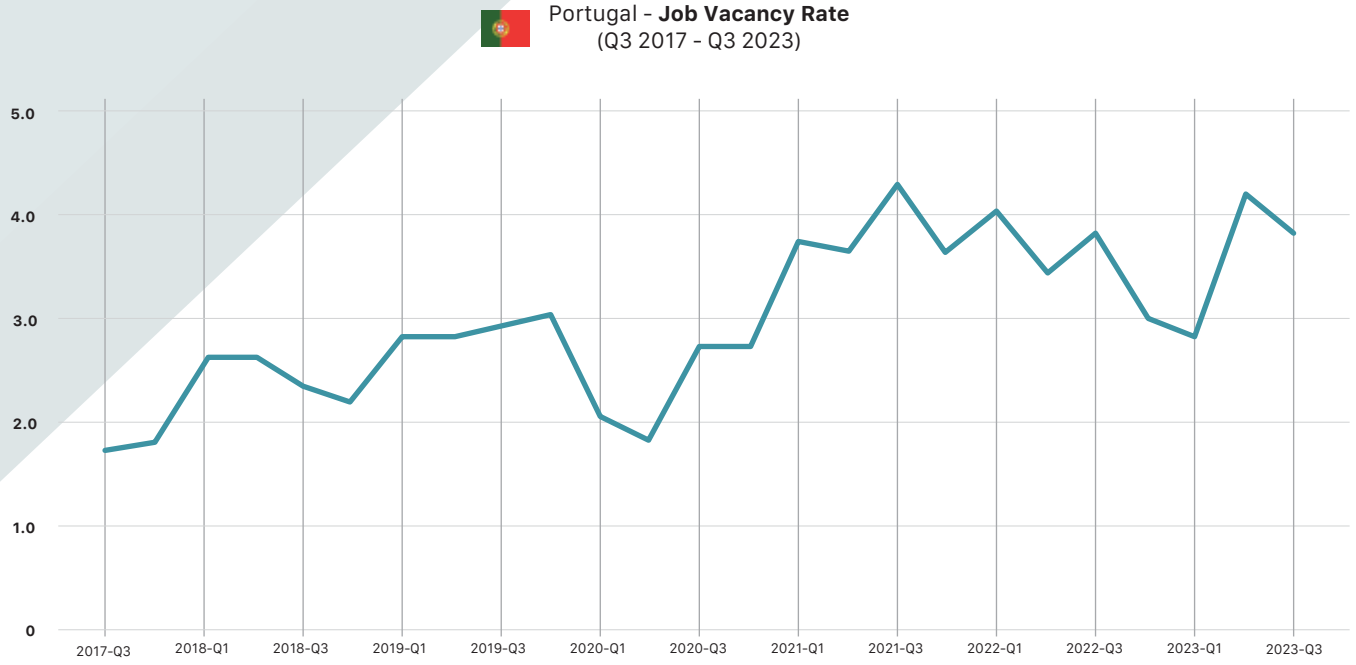
The efficiency of these markets in absorbing Human Capital is brought into question, as highlighted in the Beveridge curve section, given their consistently high JVR alongside relatively low unemployment rates.

Turning our attention to Germany, a country witnessing a similar decline in JVR, the third quarter of 2023 sees rates surpassing those of the two preceding periods. While the statistical significance of this increase remains uncertain, it's noteworthy that Austria, a fellow German-speaking country, follows a parallel trend, potentially influenced by shared cultural and geographical factors fostering the exchange of Human Capital.

Portugal, unique in recording a JVR under 4% in this quarter, holds the fifth position in the EU in terms of rates. Examining the JVR trends over the past six years in the graph below, the impact of the Covid-19 pandemic on Portugal's job market becomes evident.

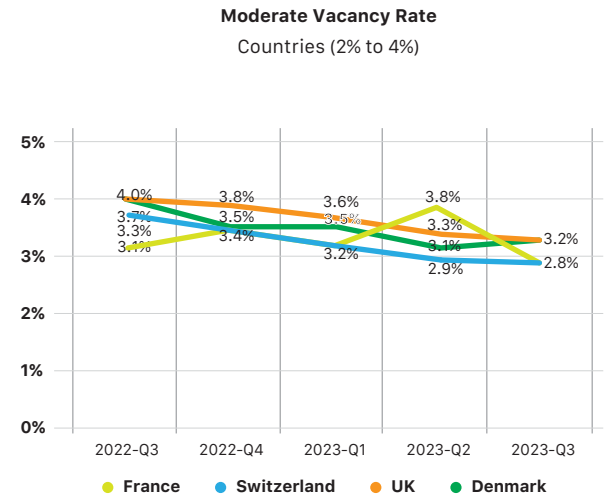
Preceding the turn of the decade, rates fluctuated between 1.5% and 3%, but post-pandemic, there's a discernible increase in the average annual JVR, ranging from 3.5% to 4.2%, peaking in the third quarter of 2021.

Considering structural changes in Portugal's ICT labour market in recent years, it's plausible that rates will stabilise between 3% and 4% in the upcoming quarters.



Adapted from: Eurostat 2024

Countries with Moderate Job Vacancy Rates



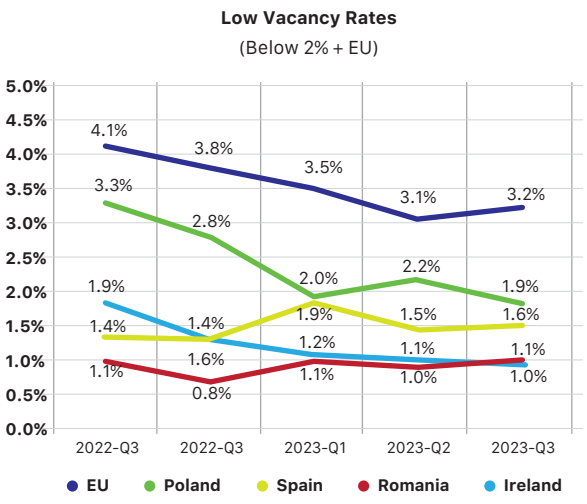
Source: Adapted from Eurostat (2024) and Office for National Statistics UK (2024) - Disclaimer: The data regarding job vacancy rates in France is only available for companies with more than 10 employees.

In this segment, focusing on non-EU member states, the UK and Switzerland unveil an intriguing parallel in their Job Vacancy Rate (JVR) curves. Notably, the JVR percentages in the UK consistently outpace their Swiss counterparts by an average of 0.3 percentage points.

France, on the other hand, presents a unique challenge in discerning a definitive trend line for its JVR. The rates exhibit a constant fluctuation, making it impractical to draw a clear trajectory. This quarter marks a noteworthy development, recording the lowest value since 2021 Q3, with the rate plummeting to 2.2%.

Estonia, known for its steadfast JVR patterns, experienced a notable deviation in this quarter. Demonstrating an increase of 0.8 percentage points compared to the preceding quarter and a positive year-on-year variation of 0.6 percentage points, the country's job vacancy landscape reveals a momentary shift. These nuanced changes offer valuable insights for businesses navigating the dynamic terrain of talent acquisition.

Countries with Low Vacancy Rates



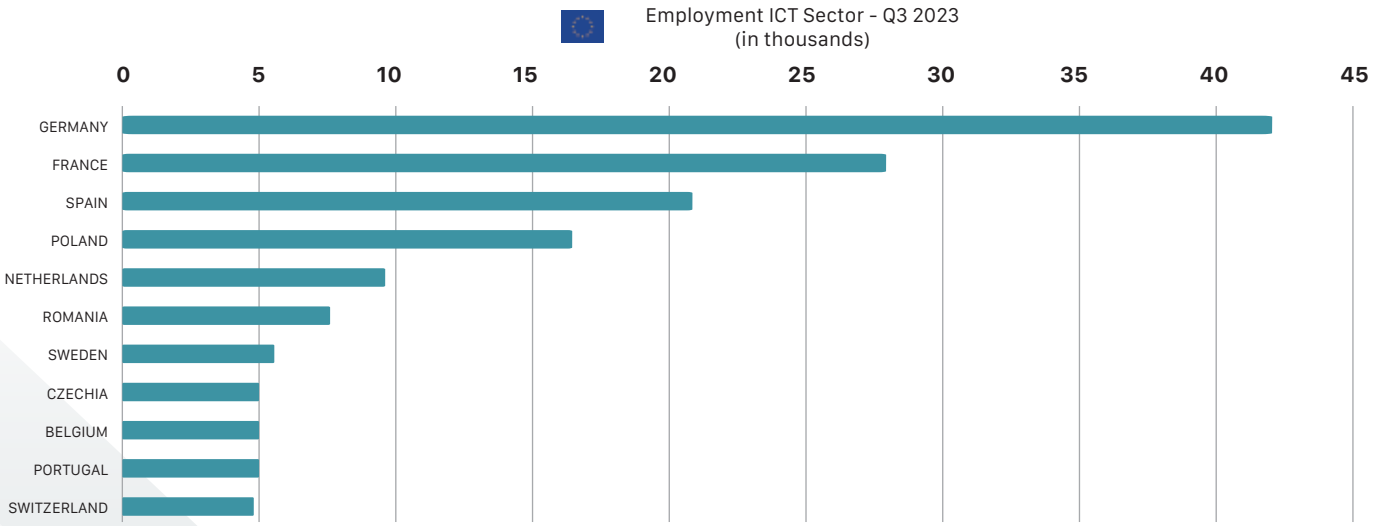
Source: Adapted from Eurostat (2024)

This quarter marks Poland's inclusion in the group of countries exhibiting relatively low Job Vacancy Rates (JVR). It's crucial to contextualise this 1.9% figure within the broader narrative of Poland's ICT employment landscape, which has seen unparalleled growth for over three consecutive terms. This context underscores that a 1.9% JVR poses no threat to the robustness of the Polish labour market.

In fact, one could posit that these statistics reflect a market characterised by both success and efficiency, where demand is met seamlessly by a capable workforce. Strengthening this hypothesis is the concurrent revelation that Poland achieved one of the lowest unemployment rates in the EU during the same quarter, standing at an impressive 2.7%, as reported by Eurostat in 2024. These figures collectively paint a portrait of a thriving and resilient tech labour market in Poland. ▲

EU

Employment



Source: Eurostat (2023)

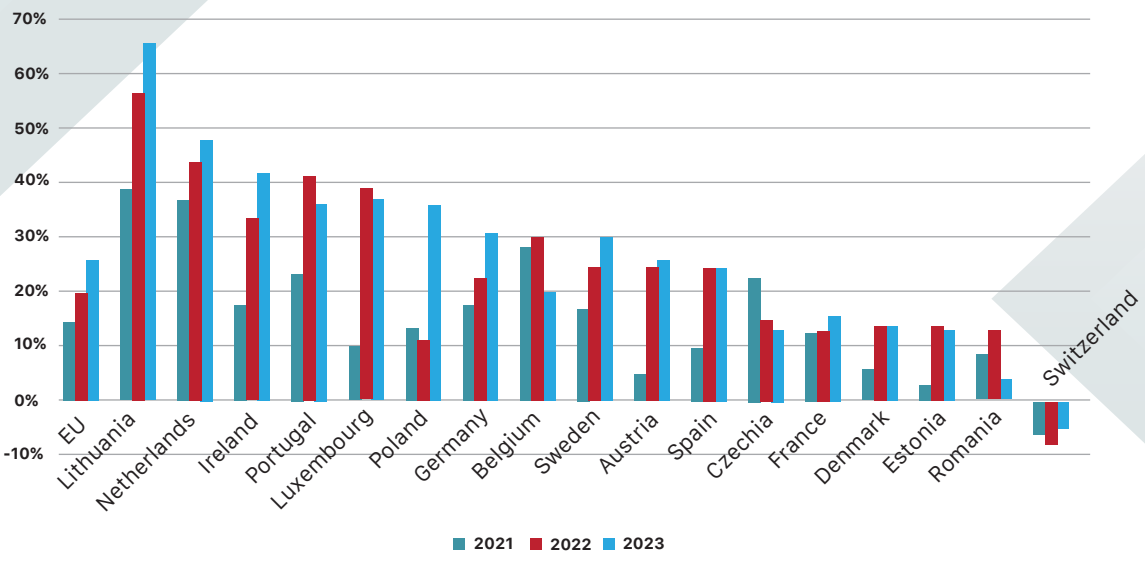
In our analysis described in the graph below, we delve into the employment fluctuations across 2021, 2022, and 2023, using 2019 as our baseline.

The selection of 2019 serves as a strategic anchor, allowing us to estimate the broader impact of the Covid-19 pandemic on the ICT workforce. Our methodology involves summing the number of employed individuals during the first three quarters of 2019, dividing it by 3 (getting an average of employed people per year in the specifically analysed quarters), and applying the same process to subsequent years.

For this reason, comparisons with the following graphics (the ones regarding year-on-year analysis) are not possible or relevant to our analysis.

The resulting percentages, displayed in the graph, exclusively denote the variation between each respective year and the baseline year 2019. It's crucial to note that these percentages are not cumulative, providing a focused and clear snapshot of the dynamic changes in ICT employment over the specified time-frame.

Variation of the employment in 2021, 2022 and 2023 (Base year: 2019)



Source: Adapted from Eurostat, US Bureau of Labour Statistics, Canada Statistics and Office for National Statistics UK (2024)

This analysis also provides some key observations:

Across all EU-selected countries, ICT employment has seen consistent growth since 2019, with Switzerland being the sole exception, experiencing a decline in the number of employed individuals.

Lithuania stands out for the most substantial employment variations, witnessing an impressive surge of 38.7% in 2021, followed by 56.3% in 2022, and a remarkable 65.4% in 2023. The Netherlands closely follows with notable increases of 36.3% (2021), 43.7% (2022), and 47.8% (2023).

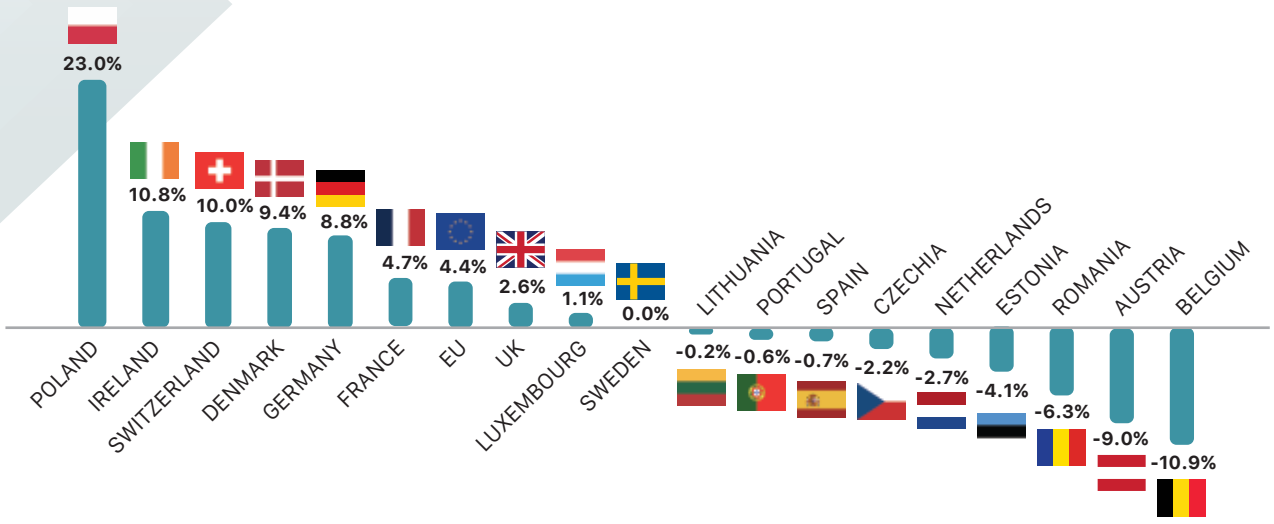
A trend of progressive employment growth is evident in most countries represented in the graph, reaching its zenith in 2023, which marks the year with the highest variations. Notably, 2021 represents the period with the lowest variations.

In 2023, the average increase stands at a substantial 26.1%, relative to the base year of 2019.

Countries such as Romania, Portugal, Luxembourg, Estonia, and Belgium experienced a decrease in employment from 2022 to 2023, indicative of adjustments in the number of vacancies during this period. In 2022, the average increase was noteworthy at 23.2%, relative to the base year of 2019.

In conclusion, the COVID-19 crisis has had a positive impact on ICT employment in the EU-selected countries. Notably, Switzerland witnessed a decrease in employment, with the year 2022 representing the most significant decline at -8.5% compared to 2019. These insights shed light on the dynamic shifts in the ICT employment landscape, offering valuable considerations for businesses navigating these changes.

Year-to-year Employment Variation
2022 Q3 - 2023 Q3



Source: Adapted from Eurostat. US Bureau of Labour Statistics, Canada Statistics and Office for National Statistics UK (2023)

Across the EU, employment experienced a notable 4.4% increase from the third quarter of 2022 to the third quarter of 2023.

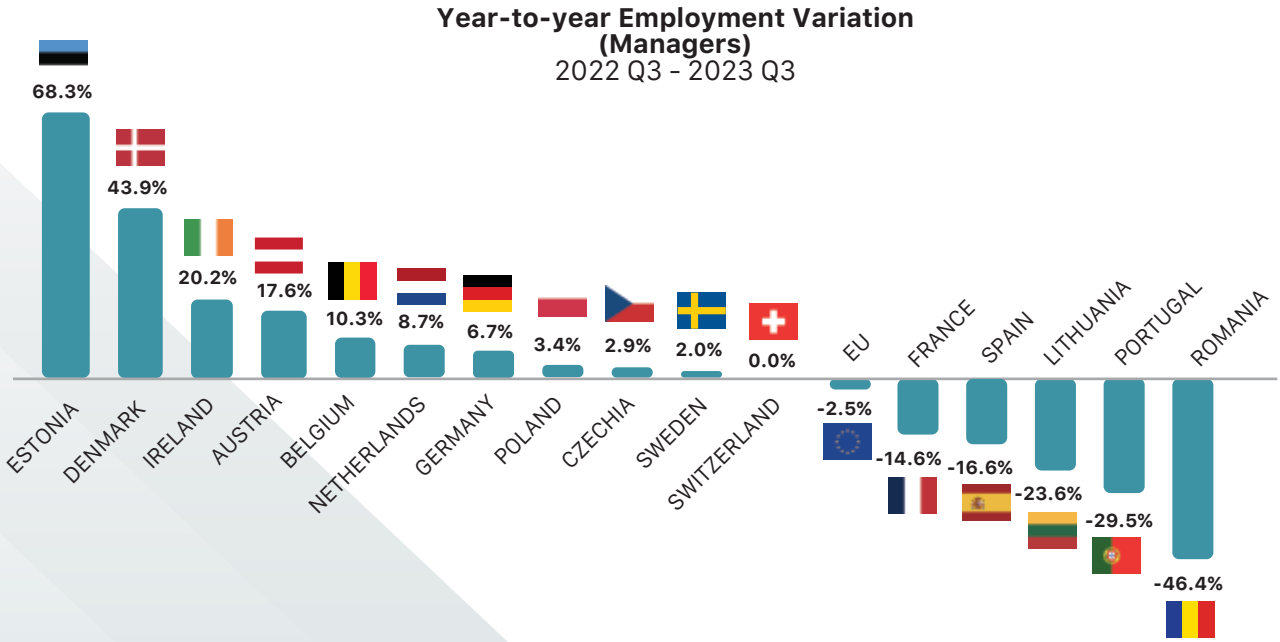
As for Poland, the employment trend echoes previous patterns, showcasing consecutive growth at approximately 20% when compared to the same period in 2022.

Conversely, four countries previously clustered with high JVR (namely Portugal, the Netherlands, Belgium, and Austria) exhibit negative employment growth in comparison to the third quarter of 2022.

The figures stand at -0.6%, -2.7%, -10.9%, and -9%, respectively.

For Portugal, this decline may be attributed to a sharp reduction in the number of managers (-29.5%), while for the Netherlands, Belgium, and Austria, the decrease is linked to a reduction in the number of Professionals (-7.2%, -15.4%, and -9.7%, respectively).

Ireland, Switzerland, Denmark, and Germany emerge as notable performers, boasting robust employment growth rates ranging between 8.8% and 10.8%. This signifies an expansion in the ICT labour market for these countries, presenting opportunities and positive indicators for their respective tech sectors.



International Standard Classification of Occupations (ISCO) – Tasks performed by managers usually include: formulating and advising on the policy, budgets, laws and regulations of enterprises, governments and other organizational units; establishing objectives and standards and formulating and evaluating programmes and policies and procedures for their implementation; ensuring appropriate systems and procedures are developed and implemented to provide budgetary control; authorizing material, human and financial resources to implement policies and programmes; monitoring and evaluating performance of the organization or enterprise and of its staff; selecting or approving the selection of staff; ensuring compliance with health and safety requirements; planning and directing daily operations; representing and negotiating on behalf of the government, enterprise or organizational unit managed in meetings and other forums.

Examining managerial levels in the ICT sector, Estonia recorded a significant surge, witnessing a remarkable 68.3% increase in the number of employees holding managerial positions.

However, it's crucial to note that data pertinent to this statistic was unavailable for two quarters within the analysed period. By the third quarter of 2023, the count of managers reached 6,900.

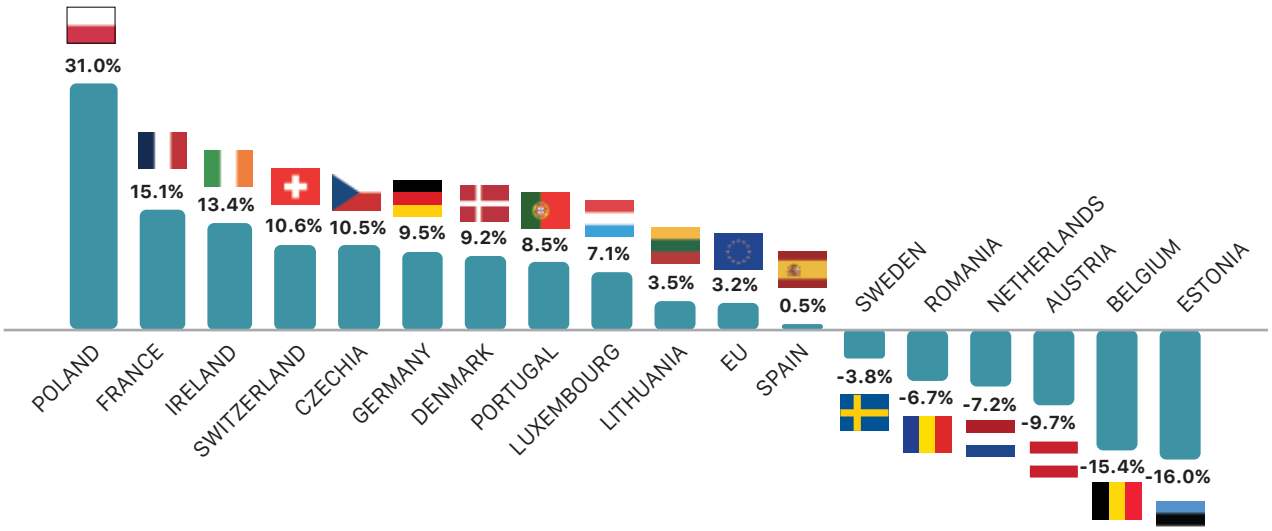
Similarly, Denmark faced a data gap for the fourth quarter of 2022 and the first quarter of 2023, yet still managed to showcase a notable year-on-year growth rate of 43.9%.

In Portugal, as previously highlighted, the country experienced negative growth rates for both overall employment and managerial positions.

This trend signifies a strategic shift, with a deliberate increase in hiring professionals and a simultaneous reduction in the number of managerial roles.

This nuanced approach could be indicative of a proactive response to evolving technology or industry trends, with a heightened focus on recruiting individuals with specialised skills. These observations offer valuable insights into the dynamic adjustments businesses are making in response to evolving market demands and technological advancements.

Year-to-year Employment Growth (Professionals)
2022 Q3 - 2023 Q3



Source: Adapted from Eurostat. US Bureau of Labour Statistics, Canada Statistics and Office for National Statistics UK (2023)

In the third quarter of 2023, the employment landscape for Professionals in the ICT sector saw a notable uptick of 3.2% when compared to the same period in 2022. A standout performer during this quarter was Poland, once again showcasing a remarkable surge with a 31% increase. This underscores the robust expansion of the Polish ICT labour market.

Notably, the Netherlands, Belgium, and Austria recorded negative year-on-year growth rates. This trend suggests a shift in focus for businesses within these countries, moving beyond the acquisition of skilled workers to address complexities in operations.

The emphasis appears to be on refining organisational structures and enhancing operational efficiency.

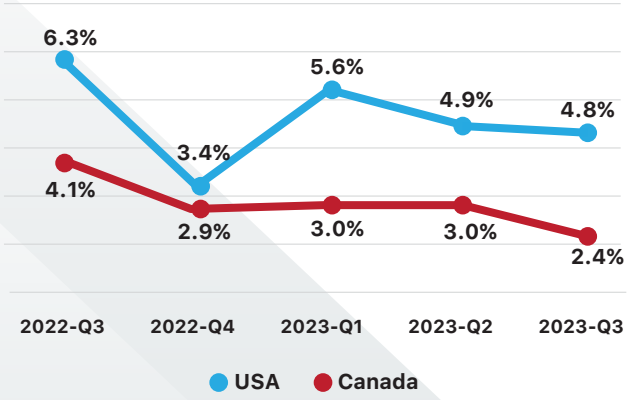
In contrast, both France and Germany exhibited consistent and impressive consecutive year-on-year growth rates exceeding 10%. These figures suggest sustained momentum in the growth of ICT employment, highlighting a proactive approach to talent acquisition and retention in these tech-centric regions. These observations provide valuable insights for businesses navigating the dynamic landscape of the tech workforce.

EUROPE

THE AMERICAS

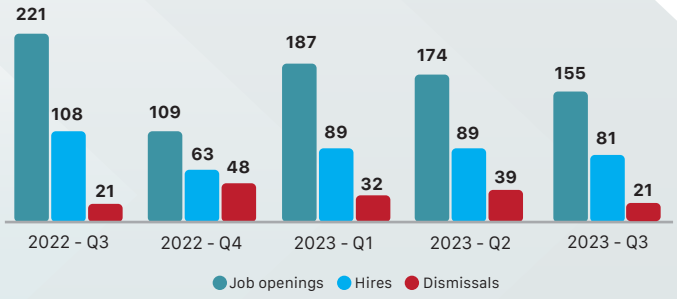
US and CANADA

Job Vacancy Rate



Source: Adapted from US Bureau of Labour Statistics (2023), Table 1 (Information) and Statistics Canada (2023), Information and Cultural Industries

Job Openings, Hires and Dismissals in the USA
(in thousands)



Source: Adapted from US Bureau of Labour Statistics (2024), Table 1 (Information) and Statistics Canada (2024), Information and Cultural Industries

While data from the US and Canada is presented differently compared to European countries, it remains relevant to examine the variation in the Job Vacancy Rate (JVR). Notably, in the third quarter of 2023, the JVR for Canada (2.4%) appears comparatively lower than previous quarters represented in the graph.

While this statistic alone may not fully unveil the dynamics of the Canadian ICT labour market, the positive and increasing variation of total employment by 4.42% suggests that job seekers are effectively filling available vacancies, indicating a skilled and responsive workforce.

Employment Growth

Year-to-Year Employment Growth
2022 Q3 - 2023 Q3

In the United States, the JVR seems to have stabilised when compared with the immediate previous quarter. Simultaneously, there is positive albeit modest year-to-year employment growth at 0.4%.

Applying the same analytical logic, one might suggest that the ICT labour market in the US is experiencing a relative slowdown compared to the same quarter in the preceding year. The graph below provides a comprehensive overview, highlighting that the third quarter of 2022 recorded the highest number of job openings and hires with a low number of dismissals (21).

In contrast, the third quarter of 2023 shows relatively fewer job openings and hires compared to the two preceding quarters. These observations offer a nuanced understanding of the current trends in the North American ICT labour markets.

BRAZIL

Hires and Dismissals

In Brazil, a noteworthy equilibrium exists between the number of hires and dismissals, setting the tone for a stable labour market within the sector. This equilibrium suggests not only stability in the number of employed individuals but also a dynamic environment, where the replacement of dismissed employees appears to be a fluid process.

The data indicates an active labour market, facilitating the seamless substitution of dismissed individuals. It is pertinent to note that in 2022, the fourth quarter saw a relatively low number of both hires and dismissals.

Additionally, this was the sole period where the number of dismissals surpassed the number of hires, warranting attention as we project and anticipate the statistics for the fourth quarter of 2023. This forward-looking analysis becomes particularly relevant in determining the ongoing dynamics of the Brazilian ICT labour market.

Salaries

Source: Adapted from ILOSSTAT Explorer (2023), Canada Statistics (2023) and Office for National Statistics (2023)

Once again, Mexico is the country where the salaries for ICT employees grew the most, namely 25.8%. Part of this increase must be attributed to the inflation in the country, which in the third quarter of 2023 was approximately 5% (Statista, 2024).

Nevertheless, the data retrieved from ILOSSTAT is not descriptive in terms of positions, with this number being just an average from all the Information and Communication sector.

Brazil is the country with the second highest variations, within the selected countries. Although the inflation levels also slightly surpassed 5%, the observed trend of successive positive variations might indicate that the salaries will keep rising.

The Industry Reports published by diverse Global consulting firms indicate that on average, between the year 2022 and 2023, the salaries in ICT for professionals varied positively around 2,000 BRL (approximately 400 USD in January's current exchange rate); while the salaries for managers did not suffer significant differences.

DATA SOURCES

Eurostat - https://ec.europa.eu/eurostat

ILOSTAT - International Labour Organisation - https://ilostat.ilo.org/data/

Layoffs.fyi - https://layoffs.fyi/

Office for National Statistics - https://www.ons.gov.uk/

Statistics Canada - https://www.statcan.gc.ca/

US Bureau of Labour Statistics - https://www.bls.gov/

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