reo+group executivesearch

MARKET INSIGHTS

Leading change for people, *through people.*

Supply chain and operations

MANUFACTURING EDITION 2026

ABOUT REO GROUP

Talent intelligence for manufacturing leaders

Reo Group is a national talent agency specialising in permanent, temporary and contract recruitment, executive search and professional services.

Our specialist team is dedicated to supply chain and operations recruitment, with a particular focus on manufacturing. We find right fit talent in an evolving industry where skillsets are shifting and technology is advancing at pace.

Each year we publish this guide to give manufacturing leaders an honest, data driven view of the talent market. We provide salary ranges across key specialisations that reflect the Greater Sydney market, with downward adjustments of 15 to 20 percent for other states, alongside insights into attracting, engaging, securing and retaining top talent.

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01 The current Sydney and Western Sydney manufacturing market

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03 The cost of living gap: why wages are losing the race

04 What turns candidates off: the top 3 red flags

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01 Current Sydney and Western Sydney manufacturing market

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01 / THE NATIONAL PICTURE

Sydney and Western Sydney: the manufacturing engine

Australian manufacturing employs roughly 930,000 people and contributes $137 billion in GDP, around 5.1 percent. It remains the sixth largest industry by employment and generates 12.4 percent of exports. NSW and Greater Sydney remain the country's largest manufacturing hub by value.

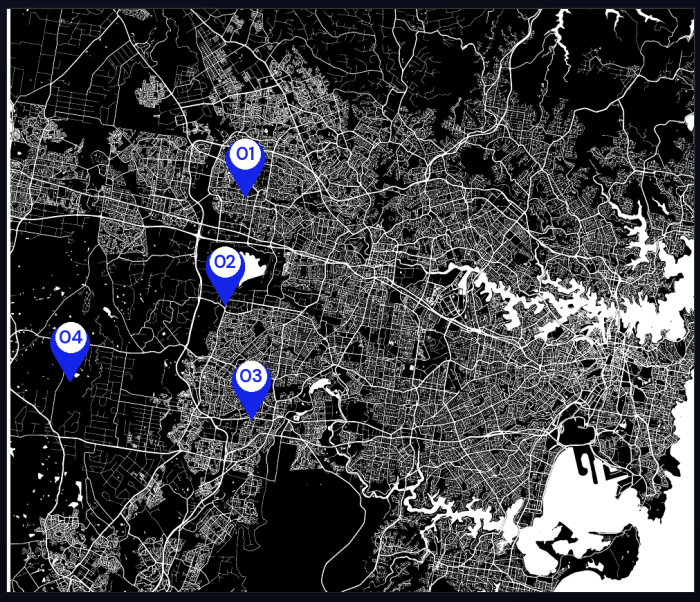
930k
PEOPLE EMPLOYED NATIONALLY

$137b
CONTRIBUTION TO GDP, AROUND 5.1%

12.4%
SHARE OF NATIONAL EXPORTS

Western Sydney, the industrial heartland

Australia's third largest economy (GRP $150B+), spanning 12 LGAs and undergoing its most significant transformation in 50 years. The Aerotropolis alone will create 120,000 targeted jobs. Manufacturers would be wise to build employer brand, talent pipelines and succession strategy before the area establishes in late 2026, positioning as an employer of choice before competition intensifies.



01 **Blacktown / Eastern Creek**
FMCG, food processing and automotive components.

02 **Wetherill Park / Smithfield**
One of Sydney's largest industrial zones, home to the new $53.95M TAFE Advanced Manufacturing Centre of Excellence.

03 **Moorebank / Liverpool**
Australia's largest intermodal freight terminal, driving supply chain and operations hiring.

04 **Aerotropolis (Bradfield / Luddenham)**
Aerospace, advanced manufacturing, pharmaceutical and agribusiness. Western Sydney Airport opens late 2026.

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02 / CAPABILITY OVER HEADCOUNT

Emerging roles and the impact of Industry 4.0

The fastest growing demand areas in Sydney manufacturing are not headcount plays, they are capability plays. Employers who cannot offer roles that engage with modern systems will lose technical professionals to competitors who can.

- **Automation and robotics specialists**
  PLC, SCADA and cobot integration.
- **Digital manufacturing engineers**
  Industry 4.0 leads driving connected production.
- **AI and data analytics**
  Integration within supply chain and production.
- **EHS professionals**
  ISO 45001 and psychosocial risk competency.
- **Sustainability and ESG reporting**
  Operations roles driven by ASIC mandatory climate disclosure from FY2025-26.

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03 The cost of living gap

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03 / COMPENSATION REALITY

The cost of living gap

One of the most important conversations we have with clients is about compensation reality. Salary increases are running at 3 to 4 percent nationally, but compounding cost of living damage from 2021 to 2024 has not been recovered, with Sydney the sharpest pressure point in the country.

+8.5%
SYDNEY MEDIAN RENT INCREASE YEAR ON YEAR

+6.2%
HOUSEHOLD COST INCREASE

−4.8%
REAL WAGES BELOW PRE-PANDEMIC LEVELS

INTERSTATE BANDING

Sydney commands a 15 to 20 percent premium over comparable manufacturing roles in Brisbane, Adelaide and Perth. National companies using a single salary band consistently underpay Sydney employees, and those employees know it.

Platforms like SEEK, LinkedIn Salary Insights and Glassdoor make market rates transparent to candidates before they even apply. If your Sydney banding is built on a national average, your job ads are advertising the gap. The ACT records the highest median weekly earnings nationally at $2,000, South Australia the lowest at $1,700.

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04 What turns candidates off

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04 / THE TOP 3 RED FLAGS

What turns candidates off

In a market where applications per role are down 28.8 percent and skilled candidates hold multiple conversations at once, a poor hiring process does not just lose one person. It damages your employer brand with a cohort of professionals who talk to each other.

01

A slow, disorganised process

61%
Candidates ghosted after interview

42%
Withdrew because scheduling took too long

80-90%
Say a negative experience changed their view of the employer

HOW TO AVOID THIS

Define your process before you start: set the number of interview rounds, rarely more than two for manufacturing roles, list the decision makers, and define and communicate the timeline clearly.

02

Overselling the role

68%
Resignations that happen within the first 3 months

31%
Employees globally who leave within 6 months

HOW TO AVOID THIS

The most commonly oversold areas are scope of authority, team size, shift patterns, equipment condition and whether digital transformation is funded or merely aspirational. An honest role brief and a structured onboarding plan deliver far better ROI than any contract clause.

03

Poor interview experience

49%
Turned down an offer due to poor candidate experience

78%
Believe the interview reflects how a company treats employees

86%
Check company reviews before applying

HOW TO AVOID THIS

In Sydney's manufacturing community, candidates talk. Structure every interview with a consistent framework, prepare your interviewers, give feedback even to unsuccessful candidates, and move decisively at offer stage.

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05 How to hire better

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05 / FRAMEWORKS AND PROCESS

How to hire better

Get internal alignment

The most expensive hiring mistake is hiring the wrong person for an unclear role. Before briefing anyone, confirm:

+ What does success look like at 90 days?
+ Who are the decision makers, and are they committed to the process?
+ What is the genuine salary range, not the wishlist?
+ Is this a backfill or a redesigned role?
+ What can be trained versus what must exist on day one?

Set your interview framework

Most manufacturing roles need no more than two or three structured stages. Stage one, 45 to 60 minutes with the hiring manager, covers cultural fit, motivation and baseline technical competency. Stage two, 60 to 90 minutes with a technical lead and peer, validates depth and team dynamics. A brief plant tour communicates culture more powerfully than any question.

Employer brand

86 percent of candidates research your company before applying. In manufacturing, where professionals are networked across the same industrial precincts, your reputation is a tangible asset or liability.

PRACTICAL ACTIONS

+ Keep your SEEK and Glassdoor profiles current
+ Respond to reviews
+ Ensure job ads are specific and honest
+ Consider what your Glassdoor rating says to someone weighing multiple offers

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06 Onboarding and retention

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06 / THE COST OF GETTING IT WRONG

Onboarding and retention

50–200%

OF ANNUAL SALARY TO REPLACE A SKILLED EMPLOYEE

82+%

IMPROVEMENT IN NEW HIRE RETENTION WITH EFFECTIVE ONBOARDING

30 / 60 / 90 DAY ONBOARDING PLAN

Day 1

Site induction, safety systems and team introductions. Complete admin paperwork before the start date, not on it.

Week 1

Structured role shadowing, with a documented introduction to reporting lines and key stakeholders.

30 days

First structured manager check in. Document expectations versus reality.

60 days

Technical competency review. Are gaps emerging, and is training in place?

90 days

Performance conversation aligned to the success criteria defined before hiring began.

KEY IMPLICATION

Compensation does not feature in the top four reasons people exit a business. Workload, role mismatch, culture and lack of development are the primary retention levers, all within the employer's control.

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07 / THE STRATEGIC PIPELINE

Skilled migration

Skilled migration is not a last resort when local hiring fails. It is a deliberate workforce channel that must be planned 12 to 24 months in advance. Businesses that treat it as reactive will consistently find themselves behind the curve.

29%
AUSTRALIAN OCCUPATIONS IN NATIONAL SHORTAGE

55.5%
OVERSEAS FILL RATE FOR TECHNICAL AND TRADES ROLES

139
OCCUPATIONS ON THE SHORTAGE LIST EVERY YEAR SINCE 2021

THE NEW SID VISA FRAMEWORK

The Skills in Demand visa replaced the TSS 482 in December 2024. The Core Skills Pathway is most relevant for manufacturers: roles paying $76,515 to $141,210, drawn from the Core Skills Occupations List of 456 occupations.

+ Sponsored workers now have 180 days, up from 60, to find a new employer if sponsorship ends, making candidates more willing to relocate
+ Clearer pathway to permanent residency (Subclass 186 ENS) after two years
+ Specialist Skills Pathway for roles $141,210+ offers a 7 day processing target with no occupation list restriction

WESTERN SYDNEY'S CALD WORKFORCE

Western Sydney's manufacturing workforce has been multicultural for generations, a genuine economic and operational asset. SafeWork NSW data shows 87.5 percent of CALD and migrant workers compensation claims in NSW came from workers whose primary home language was not English. Strong safety cultures, culturally adapted inductions and buddy system onboarding consistently achieve better safety outcomes and retention.

TSMIT

The income threshold now sits at $76,515 for the Core Skills pathway, up from $70,000, closing the loophole for below market sponsored roles.

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08 The trades shortage

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08 / STRUCTURAL, NOT CYCLICAL

The trades shortage

Australia's trade apprenticeship pipeline is under sustained pressure. For manufacturers relying on licensed trades, electricians, fitters and turners, instrumentation technicians, boilermakers and refrigeration mechanics, this is not a future problem. It is today's hiring reality.

96%

EMPLOYERS REPORTING CHALLENGES FINDING SUITABLE APPRENTICE CANDIDATES

+24.2%

INCREASE IN ELECTROTECHNOLOGY COMPLETIONS, THE RARE POSITIVE SIGNAL

STRUCTURAL BARRIERS

+ Wages of $12 to $18 an hour in years one and two are economically unattractive in a high cost of living region like Western Sydney
+ The three to four year completion window is long relative to unskilled alternatives
+ A perception problem persists, with year 12 leavers still disproportionately choosing university over TAFE despite strong wage and employment outcomes in the trades

PRACTICAL ACTIONS

+ Partner with TAFE NSW, particularly the new Advanced Manufacturing Centre of Excellence at Wetherill Park
+ Build migration into technical workforce strategy: 67 trade occupations sit on the Core Skills Occupations List under the SID visa
+ Consider earn and learn structures where workers earn adult equivalent wages while completing partial qualifications
+ Do not wait for the local market. Plan 18 to 24 months ahead

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09 Safety, mental health and psychosocial obligations

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09 / A LEGAL OBLIGATION

Safety, mental health and psychosocial obligations

What a good EHS hire looks like in 2026 has materially changed. Modern workplace safety now encompasses psychosocial hazards as a legal obligation, not a soft benefit.

PSYCHOSOCIAL HAZARDS

- NSW updated the WHS Regulation in 2022 to include psychosocial hazards under the same framework as physical risks. SafeWork NSW is actively auditing workplaces, guided by the updated Code of Practice and ISO 45003:2021
- Hazards include bullying and harassment, poor organisational design, inadequate management support, poor change management, and job demands that routinely exceed a worker's capacity
- Manufacturing workers are a high risk cohort. Physically demanding work, shift structures, isolated environments and automation anxiety all raise psychosocial load
- Failure to manage these hazards creates WHS liability, higher absenteeism and increased workers compensation exposure

WHAT A MODERN EHS HIRE LOOKS LIKE

The best EHS candidates combine ISO 45001 competency with psychosocial risk assessment capability, ICAM investigation training and, increasingly, the data literacy to manage safety reporting against ESG frameworks. Candidates who only understand physical risk are becoming less competitive for senior roles.

PRACTICAL ACTIONS

- Communicate your Employee Assistance Program actively and regularly, not buried in an induction manual
- Train line managers in psychological safety conversations. The most effective intervention is a supervisor who notices and acts early
- Include psychosocial risk on your hazard register. This is now a legal expectation, not optional best practice

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10 Diversity as a talent strategy

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10 / HALF THE TALENT POOL

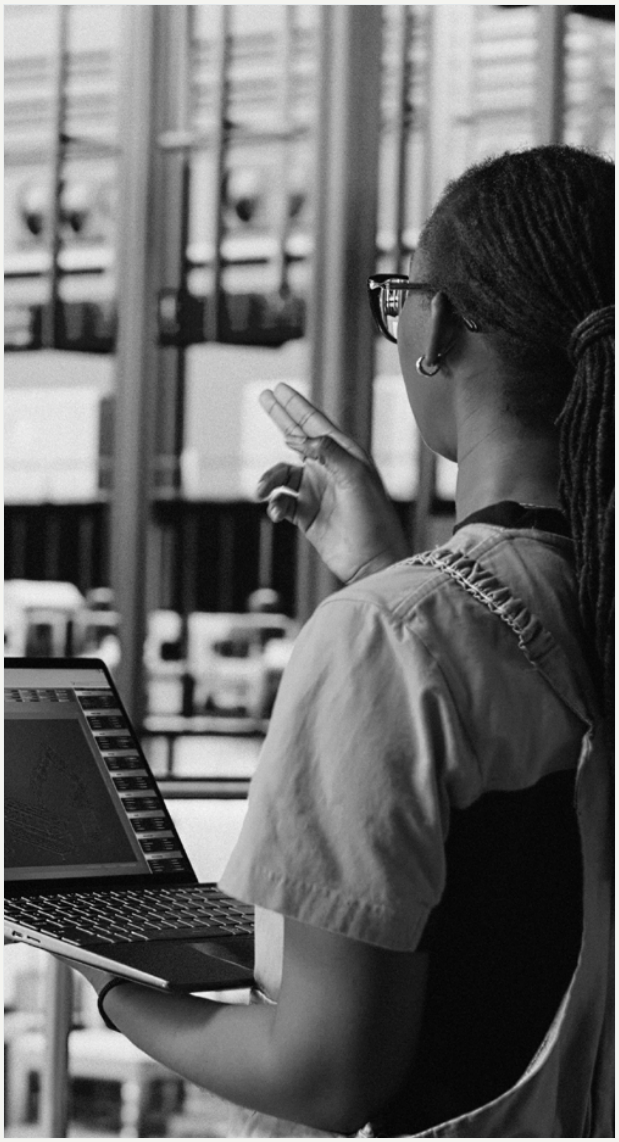
Diversity as a talent strategy

Manufacturing remains one of Australia's most male dominated industries. With the male trade apprenticeship pipeline contracting and engineering graduate intakes skewed, ignoring half the available talent pool is a strategic choice, and an increasingly costly one.

27.3%

AUSTRALIAN ORGANISATIONS THAT ARE GENDER BALANCED. MANUFACTURERS ARE AMONG THE WORST PERFORMERS.

The practical solution is clear. Build diversity, and the elimination of bias, into your recruitment processes from the first touchpoint through to offer.



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11 Additional candidate watch outs

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11 / BEYOND THE OBVIOUS

Additional candidate watch outs

SUCCESSION PLANNING

The ageing leadership problem

The proportion of manufacturing workers aged 55+ has been rising steadily. Many Western Sydney manufacturers have senior plant managers, operations leaders and technical specialists approaching retirement, with no identified successors and no documented knowledge transfer plan. When these people leave, decades of institutional knowledge leave with them. Reo Group can help identify internal succession candidates and design structured transition plans.

CONTRACT AND INTERIM HIRING

Flexibility for project driven demand

Not every workforce need is permanent. Production ramp ups, ERP implementations, safety audits and supply chain restructuring all create demand for skilled professionals on a fixed term or project basis. Contract and interim placements give clients senior capability without permanent headcount, and give candidates the flexibility they increasingly value.

ESG REPORTING

New roles emerging from compliance

From FY2025-26, mandatory ASIC climate related financial disclosure applies to large Australian companies. Scope 1, 2 and eventually Scope 3 emissions reporting runs through operations and supply chain, creating demand for sustainability reporting roles embedded within manufacturing functions. These candidates are scarce and commanding premium salaries. Organisations that move early build capability at lower cost.

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12 Salary benchmarks

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12 / SALARY BENCHMARKS

Salary benchmarks

Figures are AU$000s, exclusive of superannuation and other benefits, and representative of the current Greater Sydney market. Downward adjustments of 15 to 20 percent typically apply for other states.

SUPPLY CHAIN

JOB TITLE	LOW	HIGH	AVERAGE
Supply Chain Director / Head of Supply Chain	180	270	210
Procurement Manager / Head of Procurement	120	180	140
Supply Chain Manager	120	180	150
Logistics Manager	100	160	130
Procurement / Category Specialist	80	130	110
Supply Chain Planners / Coordinators	80	120	95
Demand Planner / Inventory Manager	90	140	120
Purchasing / Procurement Coordinator	80	120	100
Freight / Inventory Coordinator	80	120	100

HEALTH AND SAFETY

JOB TITLE	LOW	HIGH	AVERAGE
Safety Director / Head of HSE / Quality	180	300	250
Safety Manager	130	200	180
Safety Advisor	110	160	140
Safety Coordinator / HSE Advisor	85	130	105
Return to Work / Injury Management	85	125	105
Safety, Quality, Environment Coordinator	85	120	110

12 / SALARY BENCHMARKS

Salary benchmarks

OPERATIONS

JOB TITLE	LOW	HIGH	AVERAGE
COO / GM of Operations	220	380	300
General Manager	180	320	250
Head of Manufacturing	180	300	230
Head of / Director of Operations	180	300	240
Factory / Plant / Site Manager	120	200	160
Operations Manager	140	200	170
Production Manager	100	170	140
Manufacturing Manager	120	185	150
Continuous Improvement Manager	120	170	145
Production Supervisor	90	140	120
Production Coordinator	60	100	85
Customer Service Manager	85	120	110
Customer Service Specialist	60	85	70

QUALITY, RISK AND COMPLIANCE

JOB TITLE	LOW	HIGH	AVERAGE
Quality Manager	110	150	130
QA / QC Coordinator	75	110	90
Food Safety / Compliance Specialist	75	110	90
Regulatory Affairs Manager	100	180	130
Regulatory Affairs Coordinator	80	140	100
Risk Specialist	120	200	150
Sustainability / Environment Manager	120	200	150

12 / SALARY BENCHMARKS

Salary benchmarks

TECHNICAL

JOB TITLE	LOW	HIGH	AVERAGE
Head of R&D, NPD, Innovation	180	250	220
NPD / R&D / Innovation Manager	110	180	130
Food Technologist	65	100	80
R&D Technologist	65	100	90
NPD Technologist	65	100	90
Process and Packaging Development	90	150	120
Packaging Specialist	90	160	120

ENGINEERING

JOB TITLE	LOW	HIGH	AVERAGE
Automation and Systems Manager	130	220	180
Engineering Manager	120	200	160
Maintenance and Reliability Manager	120	200	160
Maintenance Supervisor	100	150	120
Continuous Improvement / Lean Engineer	110	200	150
Mechanical, Electrical, Chemical Engineers	80	140	120
Plant / Systems / Automation Engineers	120	180	140
Process Engineer	60	110	85

A BUSINESS FOR GOOD

Together, we can make a difference

Every time we place a candidate, we give 50 days of technology education to children in remote Australian communities, in partnership with B1G1, CAYLUS and Dot Com Mob. This is our Elevate a Nation campaign, created in line with the United Nations Sustainable Development Goals.

Elevate a Nation supports Goal 4: inclusive, equitable quality education and lifelong learning for all. We believe we can empower communities, helping young people develop the digital skills to compete for the technology based roles we recruit for.

IN PARTNERSHIP WITH B1G1 · CAYLUS · DOT COM MOB · UN SDG 4

GET IN TOUCH

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