



Australian Government



Jobs and Skills Australia

Labour Market Update

February 2024



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The data in this document largely reflect the latest December month and quarter and were current as of 31 January 2024.

Executive summary

Labour market conditions continued to ease over the December quarter 2023, with an ongoing shift away from full-time employment towards part-time jobs growth over the period. While underlying labour market conditions remain reasonably tight (with the unemployment rate standing at 3.9% in December 2023) Treasury's latest *Mid-Year Economic and Fiscal Outlook* suggests that the unemployment rate will edge up further in the period ahead, to 4¼% in the June quarter 2024. The softer underlying conditions, and an expected further slowing in hours worked, are also likely to result in a further rise in the *underemployment* rate, highlighting that some space capacity is evident in the labour market.

A number of partial indicators of labour market activity are also consistent with a somewhat softer outlook. For instance, Jobs and Skills Australia's *Recruitment Experiences and Outlook Survey* results show a 6 percentage point fall in the recruitment rate over the year, suggesting that labour demand will ease over the period ahead. Similarly, Jobs and Skills Australia's *Internet Vacancy Index* data show that job advertisements decreased by 16,100 (or 5.8%) over the year to December 2023 – although they remain significantly elevated compared with pre-COVID levels.

Despite the recent fall in both the number of internet vacancies and recruitment difficulty, data from Jobs and Skills Australia's *Survey of Employers who have Recently Advertised* show that employers are still experiencing challenges finding suitably skilled workers to fill vacant positions. Indeed, there has only been a slight increase in the average number of suitable applicants per vacancy over the year, from 2.2 in the December quarter 2022, to 2.7 in the December quarter 2023, suggesting that there is still shortage pressure evident in the labour market.

There also continues to be some variation in recruitment activity at the regional level. For instance, the recruitment rate fell by 9 percentage points in capital cities over the year, to 44% in December 2023, while it rose by 3 percentage points in rest of state areas, to 53% (although it remains low compared with the rates recorded throughout 2022). Internet vacancies in capital cities have also decreased at a faster rate than their rest of state counterparts, falling by 26.4% in the former since the peak recorded in October 2022. This compares with a decline of 17.3% in rest of state areas over the same period.

Recruitment difficulty rates also tend to be higher in regions that are further away from large population hubs, with employers facing greater challenges finding qualified staff to fill their vacancies, due, at least in part, to the relatively tighter labour market conditions in these areas. This is likely to be further exacerbated in some regions, due to their industry composition. For example, some regions have a focus on mining or agriculture and, accordingly, have a need for people with more specialised skills.

With respect to industry developments at the national level, the Health Care and Social Assistance industry made the largest contribution to employment growth over the year, a continuation of a long-term trend of sustained employment growth in the industry over the past 2 decades. More than three-quarters (76%) of employment in the industry is accounted for by women, well above the 48% for all industries, with females more likely to work part-time (48%) than their male counterparts (28%) in the industry.

The shift towards employment in higher skilled occupations in recent years is also a continuation of a long-term trend, as the workforce has become more highly educated and employment has transitioned towards more services-based industries. While recruitment difficulty has fallen across both higher and lower-skilled occupations over the year, employers continued to encounter greater difficulty recruiting for higher skilled occupations

(59% experienced difficulty recruiting for Skill Level 1 to 3 occupations in December 2023), than those with vacancies for lower-skilled occupations (40% for Skill Level 4 and 5 occupations). Moreover, internet vacancies have declined across all major occupation groups in the December quarter 2023, with Labourers and Sales Workers recording the largest decreases (in percentage terms) over the period (down by 7.6% and 5.6%, respectively), compared with smaller declines for Professionals and Managers (down by 3.8% and 3.5%, respectively).

Overview of the Australian labour market

The Australian labour market continued to soften further over the December quarter 2023, with an ongoing shift away from full-time employment towards part-time jobs growth over the period. Reflecting the changing composition of employment, aggregate hours worked eased further over the quarter, as employers tended to hoard workers in a tight labour market but adjusted their employee hours downwards, as economic activity continued to weaken. A number of partial indicators suggest that labour market activity will slow further in the coming months, with the unemployment rate expected to drift higher in the period ahead. In this regard, forecasts from Treasury's latest *Mid-Year Economic and Fiscal Outlook* are for the unemployment rate to edge up to 4¼% in the June quarter 2024, before peaking at 4½% in the June quarter 2025.

Table 1: Key labour market indicators, December 2023 and change since September 2023

Employment	Full-time employment	Part-time employment	Hours worked	Underemployment rate	Unemployment rate	Participation rate
14,201,100	9,791,200	4,409,900	1,925.7 million hours	6.5%	3.9%	66.8%
↑ 0.4%	↓ 0.4%	↑ 2.2%	↓ 0.4%	↑ 0.2% pts	↑ 0.3% pts	Steady

Source: Australian Bureau of Statistics (ABS), Labour Force, Australia, December 2023, seasonally adjusted data.

The national scene

ABS *Labour Force Survey* data show that seasonally adjusted **employment** increased by 51,700 (or 0.4%) over the December quarter 2023, down marginally from growth of 0.5% recorded in the previous quarter. Despite some easing in the pace of jobs growth, employment rose by 381,000 (or 2.8%) over the *year to* December 2023 and remains above the decade average annual growth rate of 2.2%.

- Employment growth was fairly evenly split between males (up by 29,300 or 0.4%) and females (up by 22,500 or 0.3%) over the December quarter.

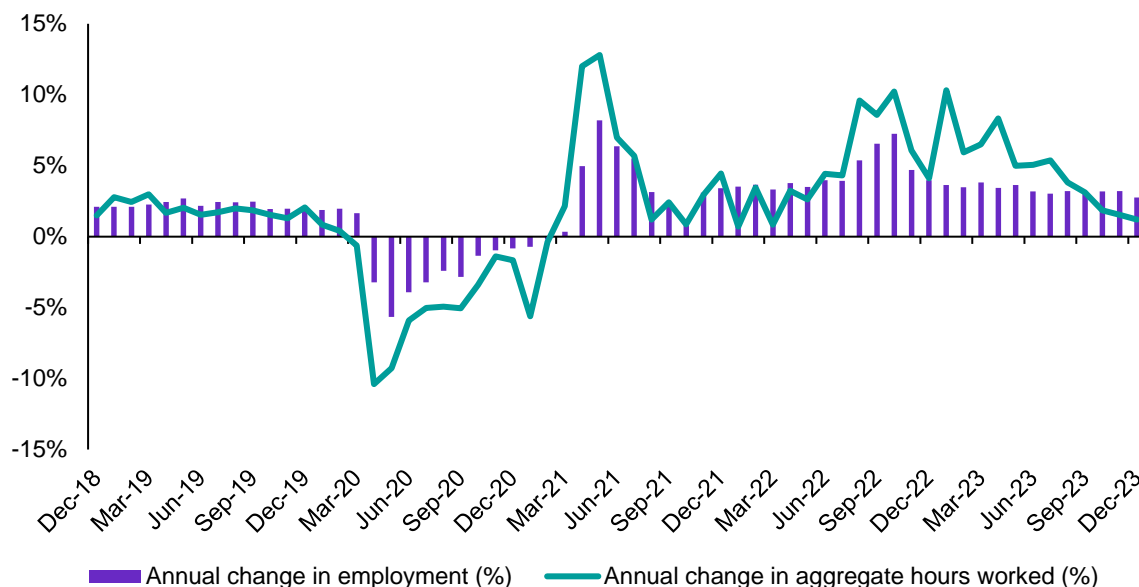
The recent easing in the pace of employment growth occurred in conjunction with a continued shift away from full-time jobs growth, towards part-time employment. To illustrate, **full-time employment** decreased by 41,300 (or 0.4%) in the December quarter 2023, while **part-time employment** increased strongly over the period, by 93,100 (or 2.2%).

- The contraction in full-time employment over the quarter was due, entirely, to a fall in *female* full-time employment (down by 48,300 or 1.3%). By contrast, full-time employment for males rose modestly (by 7,000 or 0.1%) over the period.

Against the softer backdrop, **aggregate hours** worked decreased by 8.2 million hours (or 0.4%) over the quarter (Figure 1). While the aggregate hours worked series can be volatile, the annual rate of growth in hours worked has eased considerably, from its recent peak of 10.3% in January 2023 (significantly higher than the 3.6% increase in employment at that time), to its current rate, of just 1.2% (well *below* the current annual employment growth rate, of 2.8%). The fall in aggregate hours worked, together with the strong rise in part-time

employment, suggests that employers may be hoarding workers in what is still a reasonably tight labour market and are instead preferring to reduce employee hours in the first instance, rather than letting staff go in response to the gradual softening in conditions.

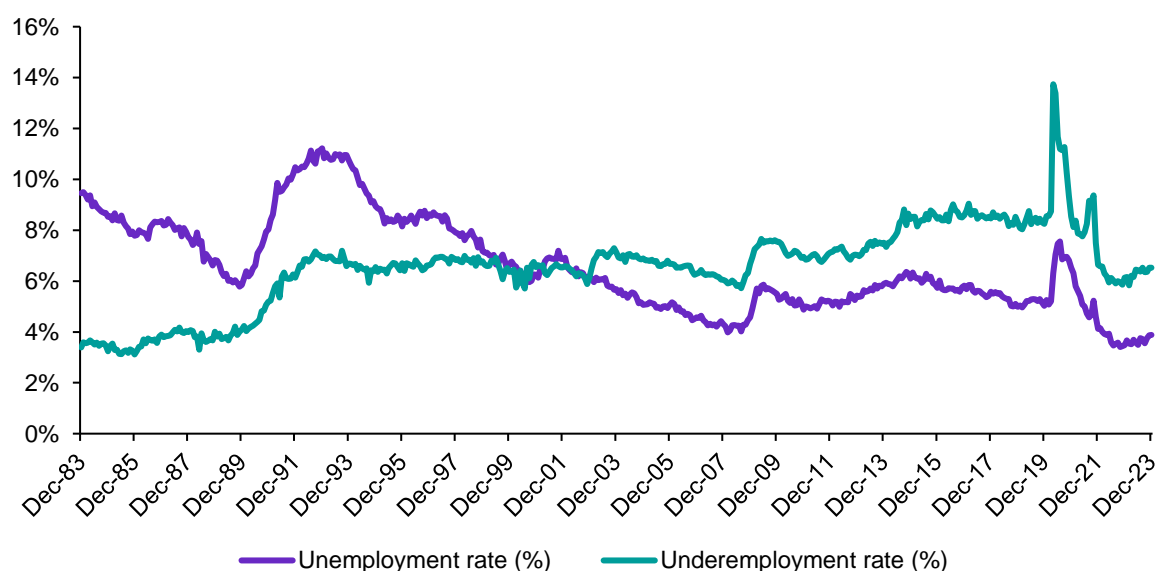
Figure 1: Annual change in employment and aggregate hours worked, December 2018 to December 2023



Source: ABS, Labour Force, Australia, December 2023, seasonally adjusted data.

Reflecting the fall in hours worked, the **underemployment rate** increased over the quarter, by 0.2 percentage points, to 6.5% in December 2023, and is 0.7 percentage points above its recent trough, of 5.8% recorded in February 2023 (Figure 2). This equates to an additional 123,300 people joining the underemployment pool.

Figure 2: Unemployment rate and underemployment rate, December 1983 to December 2023



Source: ABS, Labour Force, Australia, December 2023, seasonally adjusted data.

It is also worth noting that the number of additional hours preferred (or not worked) by underemployed workers also rose over the quarter, by 0.6 million hours (or 5.2%), to 12.5 million hours in November 2023 (latest available data), and is now 19.0% above the

level recorded a year ago. This, together with the rise in the underemployment rate, indicates a clear increase in spare capacity in the labour market.

The **unemployment rate** also increased over the quarter, from 3.6% in September 2023, to 3.9% in December 2023, while the **participation rate** was unchanged in December, at 66.8%.

- The male unemployment rate increased by 0.5 percentage points over the quarter, to 3.9% in December 2023, although this occurred in conjunction with a 0.2 percentage point rise in the participation rate for men, to 71.2% in December 2023.
- The female unemployment rate increased marginally, by 0.1 percentage points over the period, to 3.8% in December 2023. The female participation rate decreased slightly, by 0.1 percentage points over the quarter, to 62.6% in December 2023.

The **youth** labour market also weakened over the quarter, with employment decreasing by 17,400 (or 0.8%) for the cohort over the period. Significantly, full-time employment fell by 32,200 (or 3.2%) over the December quarter. This was the second consecutive quarter where youth full-time employment recorded a sizeable decrease, following the decline of 31,100 (or 3.0%) recorded in the September quarter 2023.

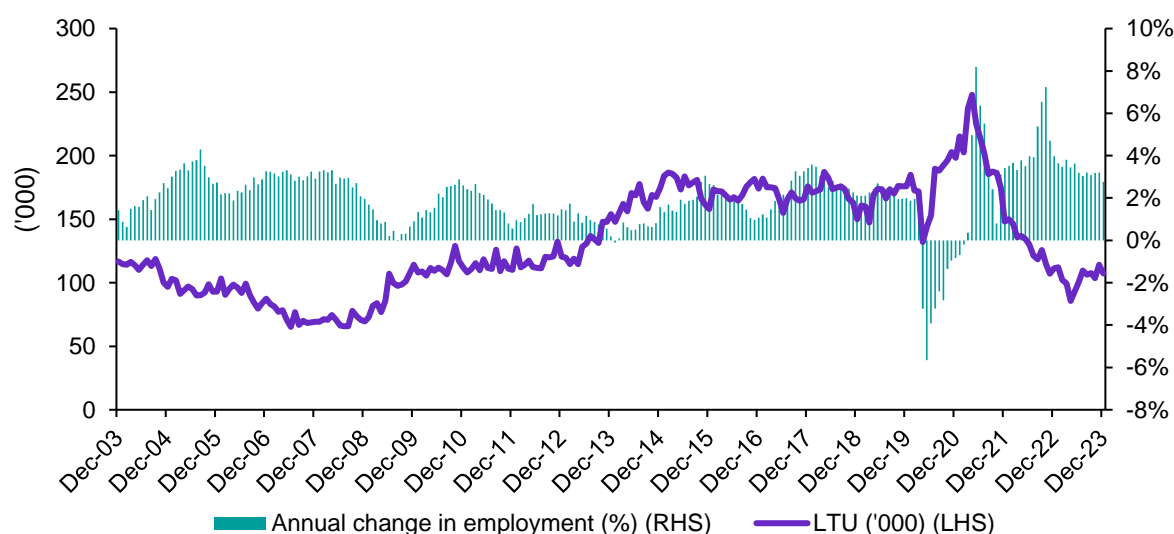
Reflecting the weaker conditions, the youth unemployment rate increased by 1.5 percentage points over the quarter, to 9.5% in December 2023, although the participation rate for young people also rose, by 0.5 percentage points, to 70.2% in December 2023.

Long-term unemployment (LTU) decreased slightly over the 3 months to December 2023, by 500 (or 0.4%), to stand at 107,200, although it remains 21,600 (or 25.2%) above the recent trough, of 85,600 recorded in April 2023 (Figure 3).

- Female LTU decreased by 1,300 (or 2.8%) over the 3 months to December 2023, to stand at 45,800.
- Male LTU increased over the period, by 900 (or 1.4%), to 61,500 in December 2023.

Notwithstanding the volatility inherent in the data, the expected continued easing in the pace of employment growth is likely to see more people becoming long-term unemployed going forward, as softer labour market conditions lead to greater inflows into LTU from short-term unemployment, while sizeable exits from the LTU pool may become more difficult to achieve.

Figure 3: Long-term unemployment and annual change in employment, December 2003 to December 2023

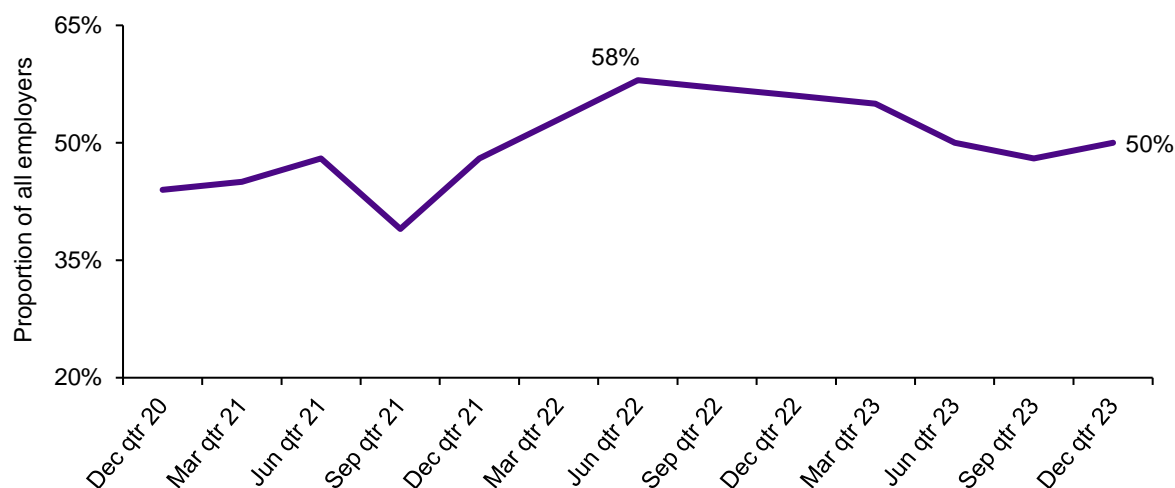


Source: ABS, Labour Force, Australia, Detailed, December 2023 for long-term unemployment; ABS, Labour Force, Australia, December 2023 for annual change in employment. All data are seasonally adjusted.

Demand for labour

Results from Jobs and Skills Australia's December 2023 *Recruitment Experiences and Outlook Survey (REOS)* confirm that labour market conditions remain softer than a year ago. For instance, the **recruitment rate** is 6 percentage points lower than a year ago, although it has held some ground over the quarter, with the proportion of employers recruiting increasing by 2 percentage points since September 2023 (Figure 4). Nevertheless, the recruitment rate is 8 percentage points lower than the peak of 58% recorded in the June quarter of 2022.

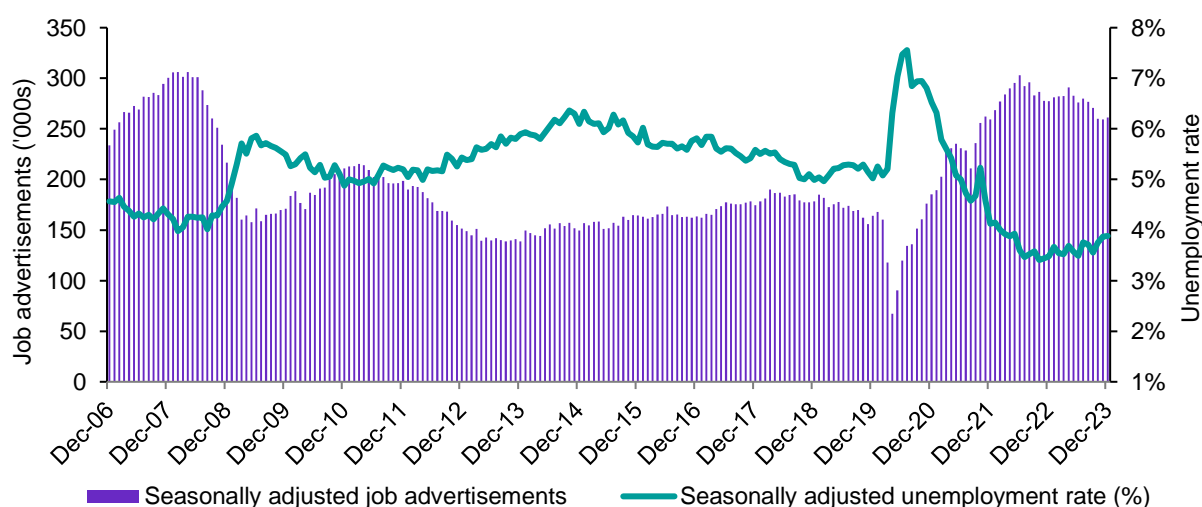
Figure 4: Recruitment rate (proportion of employers currently recruiting or who recruited in the past month), December quarter 2020 to December quarter 2023



Source: Jobs and Skills Australia, Recruitment Experiences and Outlook Survey, December 2023.

Monthly **job advertisements** have also been gradually declining and are below their mid-2022 peak. Indeed, Jobs and Skills Australia's *Internet Vacancy Index (IVI)* shows that there has been an overall decrease in recruitment activity over the quarter to December 2023, with job advertisements declining further, by 3.5% (or 9,500 job advertisements) over the period (Figure 5). Internet job advertisements decreased by 16,100 (or 5.8%) over the year to December 2023, although they remain significantly elevated compared with their pre-COVID levels.

Figure 5: IVI job advertisements and unemployment rate, December 2006 to December 2023



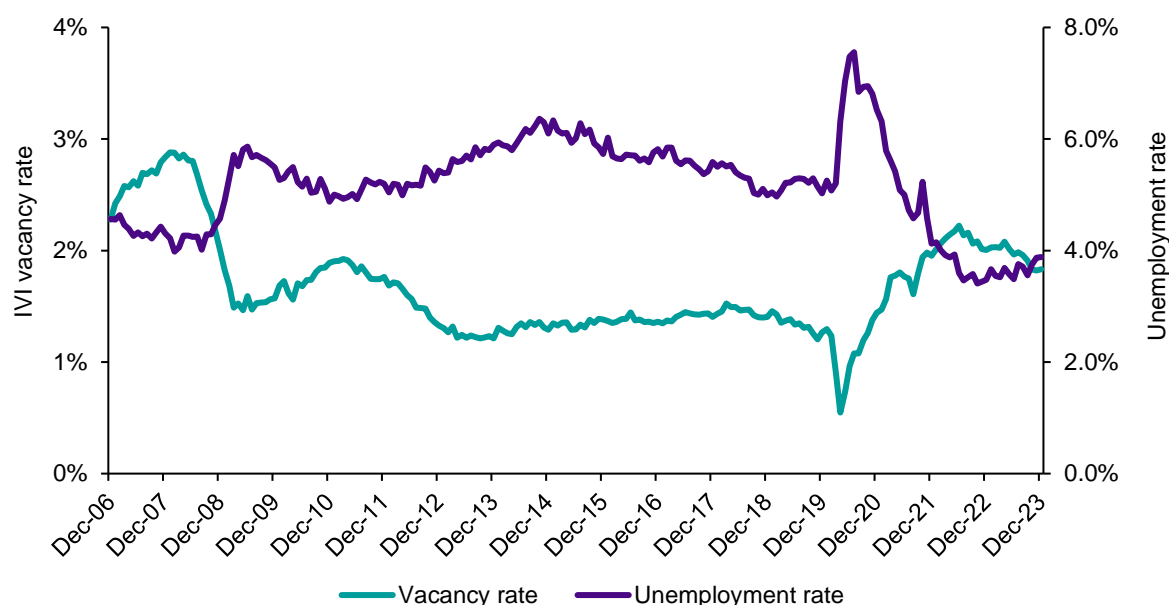
Source: ABS, Labour Force Australia, December 2023, seasonally adjusted data; Jobs and Skills Australia, Internet Vacancy Index, December 2023, seasonally adjusted data.

Recent trends in the ABS' *Job Vacancies Survey* data reflect a gradual decline in recruitment activity. Latest available ABS data show job vacancies fell by 2,900 (or 0.7%) over the quarter, to 388,800 in November 2023, and are 65,300 (or 14.4%) below the level recorded a year ago. While ABS job vacancies are below their series peak in mid-2022, they remain high by historical standards.

Vacancy rates

The **vacancy rate** (job vacancies as a share of employment) can be a useful indicator of underlying labour market dynamism. As illustrated in Figure 6, the IVI vacancy rate can be a sensitive leading indicator of future labour market conditions, with declines preceding the Global Financial Crisis, the end of the mining boom and the first COVID-19 shock (including the subsequent Delta wave), as well as heralding changes in the unemployment rate. It is worth noting that the 2 series have converged and are tracking closely, which is in line with Treasury's forecast for the unemployment rate in the period ahead. That said, the IVI vacancy rate remains high, at around 1.8% in December 2023, and is well above the low of 0.5% recorded in April 2020.

Figure 6: IVI vacancy rate and unemployment rate, December 2006 to December 2023



Source: ABS, Labour Force Australia, December 2023, seasonally adjusted data; Jobs and Skills Australia, Internet Vacancy Index, December 2023, seasonally adjusted data.

Ease of filling jobs nationally

Jobs and Skills Australia's *Survey of Employers who have Recently Advertised (SERA)* shows the **fill rates** of advertised vacancies are rising but remain low. The vacancy fill rate increased slightly, by 1.5 percentage points, to 64% over the December 2023 quarter. Moreover, based on an average per vacancy basis, the average number of applicants, qualified applicants and suitable applicants all increased in the December quarter (Table 2).¹

¹ Note that in this report, Jobs and Skills Australia has updated the methodology in calculating the fill rate and other metrics, such as applicants, qualified applicants and suitable applicants per vacancy. Jobs and Skills Australia is now using a rolling annual period of 12 months leading to the latest quarter, instead of using the latest quarter itself. This change has been made to eliminate the impact of data volatility attributable to SERA sampling, where concentrations of sampling, with respect to different occupational major groups, can occur at different times of the year.

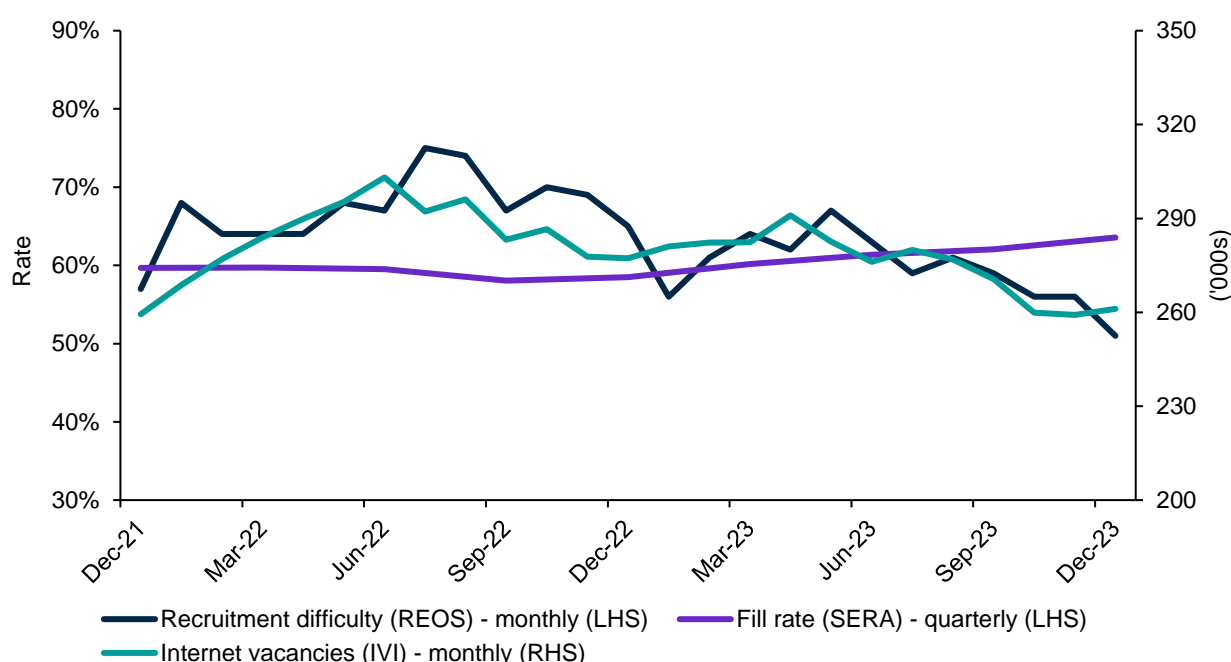
Table 2: National snapshot of recruitment experiences

	Fill rate (%)	Applicants per vacancy (no.)	Qualified applicants per vacancy (no.)	Suitable applicants per vacancy (no.)
December 2023 quarter	63.6%	18.1	6.1	2.7
Change since September 2023 quarter	↑1.5% pts	↑ 1.1	↑ 0.3	↑ 0.02

Source: Jobs and Skills Australia, Survey of Employers who have Recently Advertised, 2023, 12-month averages.

The easing in labour market conditions at the national level, however, is yet to fully materialise in higher employer fill rates, which may suggest that difficulty filling vacancies is continuing. Despite recent falls in the number of internet vacancies and recruitment difficulty, employers are still experiencing challenges finding suitably skilled workers to fill vacant positions (Figure 7).

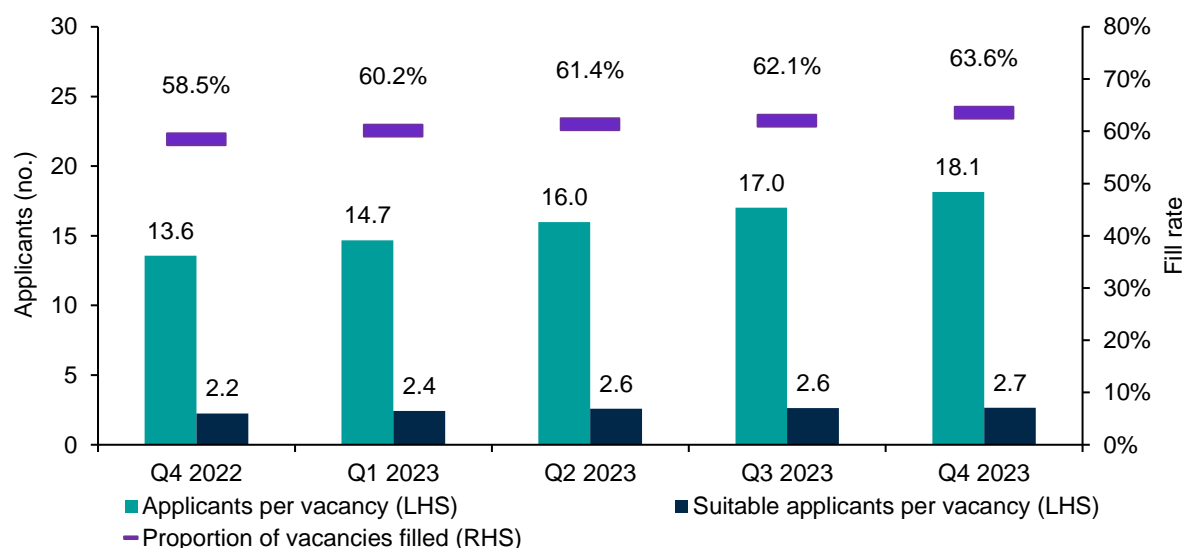
Figure 7: Fill rate, recruitment difficulty rate and internet vacancies, December 2021 to December 2023



Source: Jobs and Skills Australia, Survey of Employers who have Recently Advertised; Jobs and Skills Australia, Recruitment Experiences and Outlook Survey; Jobs and Skills Australia, Internet Vacancy Index.

While the average number of applicants per vacancy has generally been increasing over the year (from 13.6 in the December quarter 2022, to 18.1 in the December quarter 2023), there has only been a marginal increase in the average number of suitable applicants per vacancy over the same period (from 2.2, to 2.7), suggesting that there is still shortage pressure evident in the labour market (Figure 8).

Figure 8: Quarterly fill rate, applicants and suitable applicants per vacancy



Source: Jobs and Skills Australia, Survey of Employers who have Recently Advertised, 2023

Views from employers

While most of the information collected through Jobs and Skills Australia's *Recruitment Experiences and Outlook Survey* is quantitative in nature, useful qualitative information from employers about their recruitment experiences is also collected. Outlined below is a selection of employer quotes from various industries recruiting for a variety of occupations. While these are not necessarily representative, by industry or area, they do provide some insight into recent recruitment experiences and employer sentiment. In the future, Jobs and Skills Australia will be expanding its research to gain employee and job seeker perspectives on the labour market.

Manufacturing employer, October 2023, Sydney

"I wanted an Industrial Engineer but had to take on a welder instead, as there are no Engineers available."

Professional, Scientific and Technical Services employer, November 2023, Regional WA

"We pay high wages and provide a car and try everything we can to entice people to the location but it's still difficult."

Construction employer, October 2023, Regional Tasmania

"We have so much work on it's difficult to keep up but we can't fill any roles for A grade electricians."

Repairs and maintenance - Other Services, employer, September 2023, Regional Victoria

"We had to source panel beaters and spray painters from overseas."

Accommodation and Food Services employer, October 2023, Adelaide

"Since the pandemic, hospitality is no longer seen as a secure occupation so not as many people apply."

Source: Jobs and Skills Australia, Recruitment Experiences and Outlook Survey, 2023.

How are the states and territories faring?

State and territory labour market outcomes

Employment rose in 5 out of 8 jurisdictions over the December quarter 2023, with the largest increase occurring in New South Wales (up by 36,400 or 0.8%), followed by Queensland (up by 35,100 or 1.2%) — see Table 3.

- Notably, however, *full-time employment decreased* in 5 jurisdictions over the period, with the largest decline recorded in New South Wales (down by 17,900 or 0.6%), followed by South Australia (down by 16,700 or 2.6%).

Five jurisdictions recorded an unemployment rate below 4.0% in December 2023, with the lowest rate recorded in New South Wales (of 3.4%), followed by Tasmania (of 3.6%). That said, the unemployment rate rose in all jurisdictions over the quarter, with the exception of Tasmania and the Australian Capital Territory.

The Northern Territory recorded the highest participation rate, of 74.4% in December 2023, while Tasmania recorded the lowest participation rate, of 62.2%.

Table 3: Key labour market indicators by state and territory, December 2023

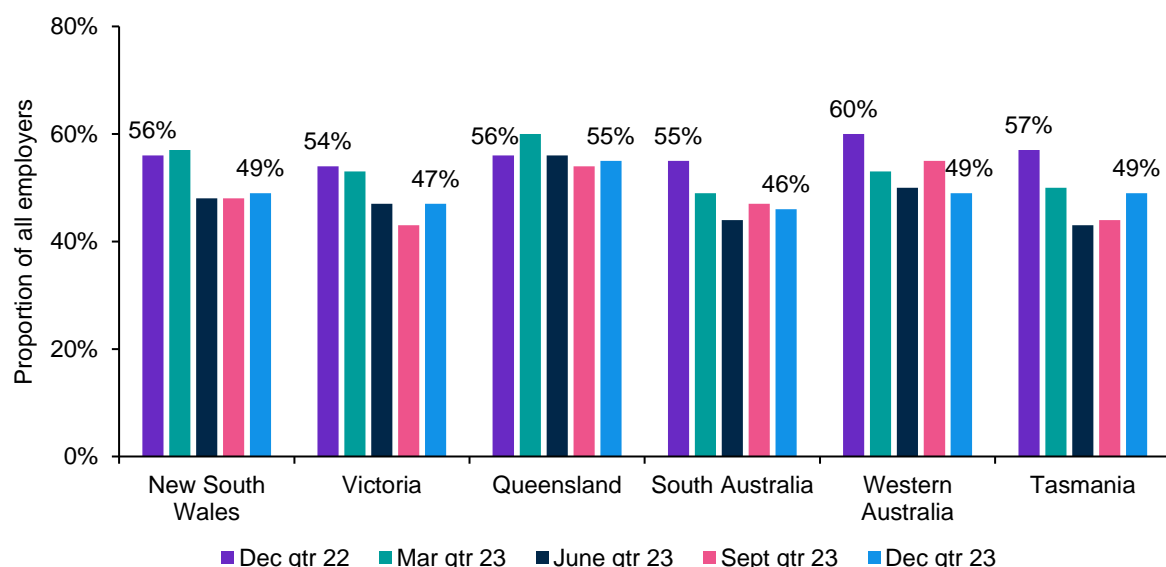
	Employment ('000)			Unemployment rate (%)		Participation rate (%)	
	Dec-23	Quarterly change ('000)	Quarterly change (%)	Dec-23	Quarterly change (% pts)	Dec-23	Quarterly change (% pts)
New South Wales	4,423.6	36.4	0.8	3.4	0.1	66.2	0.2
Victoria	3,682.1	14.5	0.4	4.0	0.5	67.4	0.1
Queensland	2,883.6	35.1	1.2	4.3	0.4	66.9	0.6
South Australia	945.8	-9.5	-1.0	3.9	0.2	63.5	-0.8
Western Australia	1,587.6	16.4	1.0	3.9	0.6	69.4	0.6
Tasmania	288.5	-1.0	-0.3	3.6	-0.5	62.2	-0.7
Northern Territory	140.4	2.3	1.7	4.5	0.3	74.4	1.3
Australian Capital Territory	267.8	-0.7	-0.3	3.9	-0.1	72.7	-0.6
Australia	14,201.1	51.7	0.4	3.9	0.3	66.8	0.0

Source: ABS, Labour Force, Australia, December 2023, seasonally adjusted data.

Results from the *Recruitment Experiences and Outlook Survey* show that while quarterly recruitment activity has decreased in all states over the year to the December quarter 2023 (Figure 9), different levels of activity continue to be observed across the jurisdictions.

For instance, in the December quarter 2023, Queensland recorded the highest quarterly recruitment rate (55%), while South Australia had the lowest rate (46%). Western Australia recorded the largest annual and quarterly decline (11 percentage points since December 2022 and 6 percentage points since September 2023) in its recruitment rate.

Figure 9: Recruitment rate (proportion of employers currently recruiting or who recruited in the past month) by state, December quarter 2022 to December quarter 2023



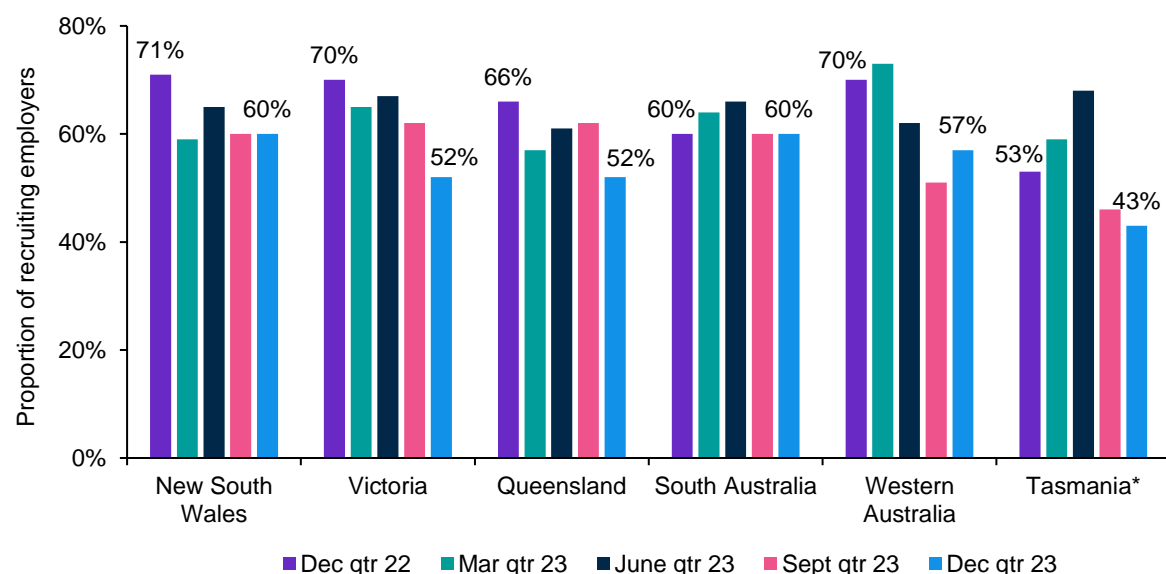
Source: Jobs and Skills Australia, Recruitment Experiences and Outlook Survey, December 2023.

Note: Data for Australian Capital Territory and Northern Territory are unavailable on quarterly basis, due to small sample sizes.

Quarterly recruitment difficulty has also decreased in all states over the year (except for South Australia). The largest decline occurred in Victoria, down by 18 percentage points over the period to 52% in the December quarter 2023. Along with Queensland, Victoria has the equal lowest rate of recruitment difficulty of all the states (both 52%) for the December quarter 2023 (Figure 10).

The highest level of recruitment difficulty in the December quarter 2023 was observed in New South Wales and South Australia (both 60%).

Figure 10: Recruitment difficulty rate by state, December quarter 2022 to December quarter 2023



Source: Jobs and Skills Australia, Recruitment Experiences and Outlook Survey, December 2023.

Note: Data for the Australian Capital Territory and the Northern Territory are not available on a quarterly basis, due to small sample sizes.

The regions

The pace of employment growth has been similar in the capital cities (up by 76,000 or 0.8%) and rest of state areas (up by 29,400 or 0.7%) over the December quarter 2023.

The unemployment rate increased marginally in both capital cities and rest of state areas over the quarter, by 0.1 percentage points, while the participation rate increased by 0.1 percentage points in capital cities but was unchanged in rest of state areas (Table 4).

Table 4: Key labour market indicators by capital cities and rest of state areas, December 2023

	Capital cities			Rest of state areas		
	Dec-23	Quarterly change		Dec-23	Quarterly change	
		('000)	(%)		('000)	(%)
Employment ('000)	9,784.0	76.0	0.8	4,397.4	29.4	0.7
Unemployment rate (%)	3.7	-	0.1 pts	3.4	-	0.1 pts
Participation rate (%)	68.8	-	0.1 pts	63.1	-	0.0 pts

Source: ABS, Labour Force, Australia, Detailed, December 2023, 6-month averages of original estimates.

Not surprisingly, there continues to be some variation in monthly recruitment activity between capital cities and rest of state areas. Figure 11 shows that the monthly recruitment rate for rest of state areas peaked at 62% in July 2022, compared with a recent high of 58% in October 2022 for the capital cities.

The recruitment rate for capital cities, of 44% in December 2023, has eased and is 9 percentage points lower than it was in December 2022. The recruitment rate for rest of state areas stood at 53% in December 2023 and is 3 percentage points higher than it was in December 2022, but remains low compared with the recruitment rates experienced throughout 2022.

Figure 11: Monthly recruitment rate (proportion of employers currently recruiting or who recruited in the past month) by capital cities and rest of state areas, August 2020 to December 2023



Source: Jobs and Skills Australia, Recruitment Experiences and Outlook Survey, December 2023.

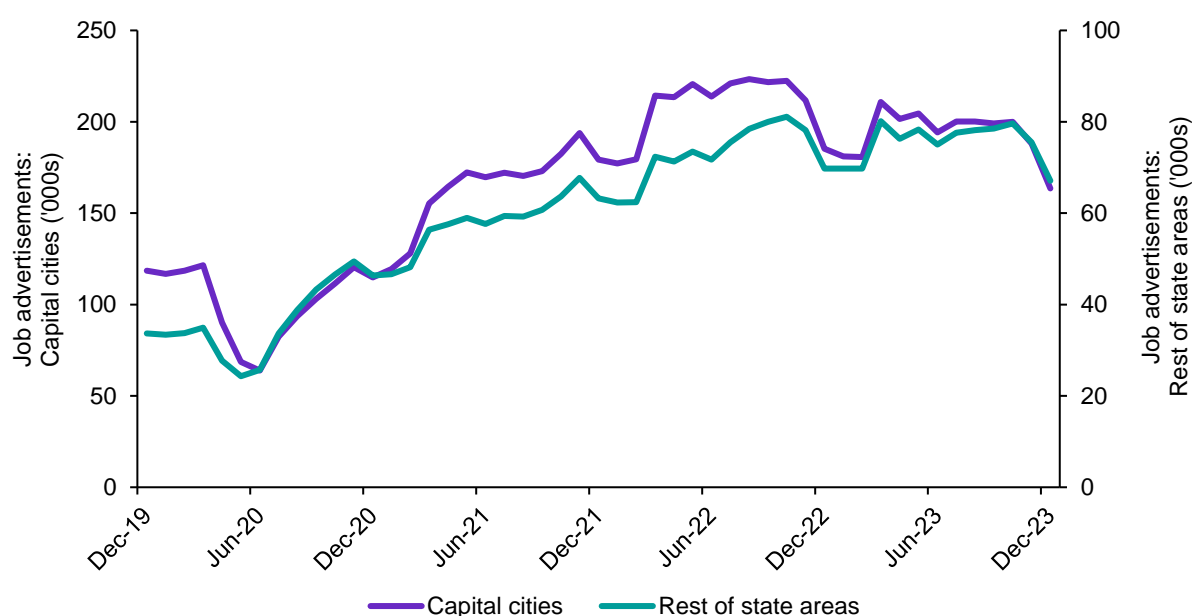
Note 1: Disaggregated data are not published for January of each year. Accordingly, relevant data points have been joined by a dotted line.

Note 2: A Henderson smoothed line has been included in the charts to reduce month-to-month volatility and illustrate long-term patterns.

Significant growth in internet vacancies was recorded in capital cities and rest of state areas between June 2020 and October 2022. While vacancies have declined from their series highs in rest of state areas and capital cities over the past year, advertisements in rest of state areas have remained more buoyant than their capital city counterparts. Results over the latter months of 2023 indicate an easing in recruitment activity, although the stability in aggregate seasonally adjusted vacancy figures suggests this is largely attributable to typical end-of-year slowdowns.

Recent Jobs and Skills Australia analysis has highlighted a contraction in recruitment activity in capital cities compared with a year ago. This has occurred in conjunction with smaller declines outside capital cities. Figure 12 shows that recruitment activity in capital cities increased, by 248.2% (or 158,500 job advertisements) from the low observed in June 2020, and by 215.5% (or 55,400) in rest of state areas, to peak in October 2022. Since then, recruitment activity has decreased, by 26.4% (or 58,800) in capital cities, and by 17.3% (or 14,000) in rest of state areas.

Figure 12: Online job advertisements in capital cities and rest of state areas, December 2019 to December 2023



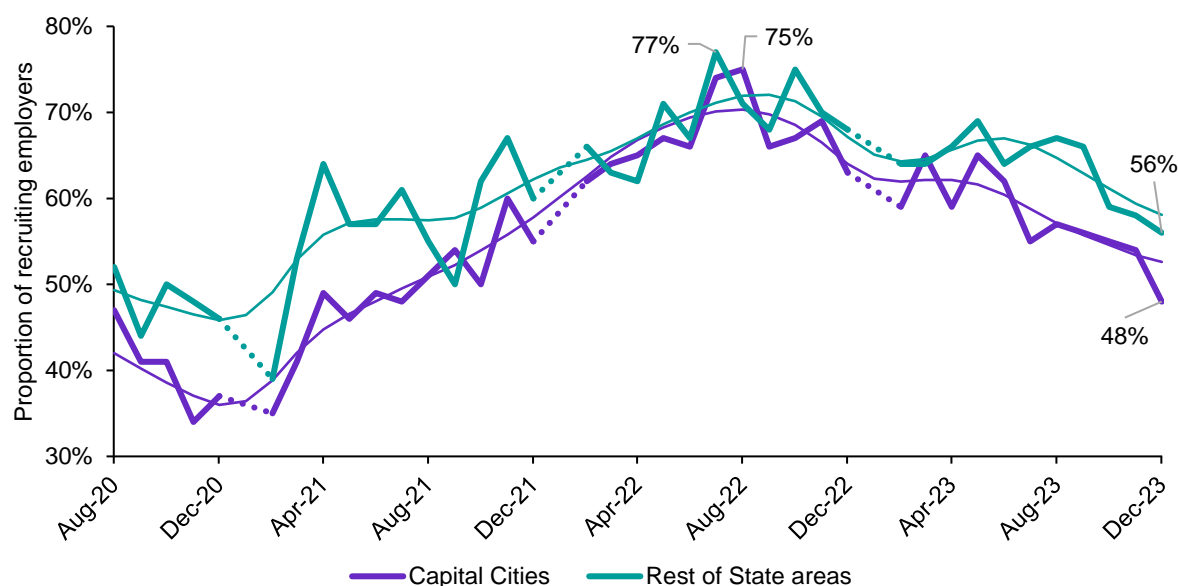
Source: Jobs and Skills Australia, Internet Vacancy Index, December 2023, 3-month average data.

Recruitment difficulty in the regions

Record high levels of recruitment difficulty occurred in both capital cities and rest of state areas during mid-2022 (Figure 13). Recruitment difficulty peaked in rest of state areas, at 77% in July 2022, while in capital cities, the monthly recruitment difficulty rate peaked at 75% of recruiting employers in August 2022.

The recruitment difficulty rate for employers in rest of state areas continued to decline over the year, falling by 12 percentage points, to stand at 56% in December 2023. The decline in recruitment difficulty in capital cities has been more pronounced than in rest of state areas over the last 12 months. Indeed, over the year to December 2023, it has declined by 15 percentage points, to 48%.

Figure 13: Monthly recruitment difficulty rate (proportion of recruiting employers) by region, August 2020 to December 2023



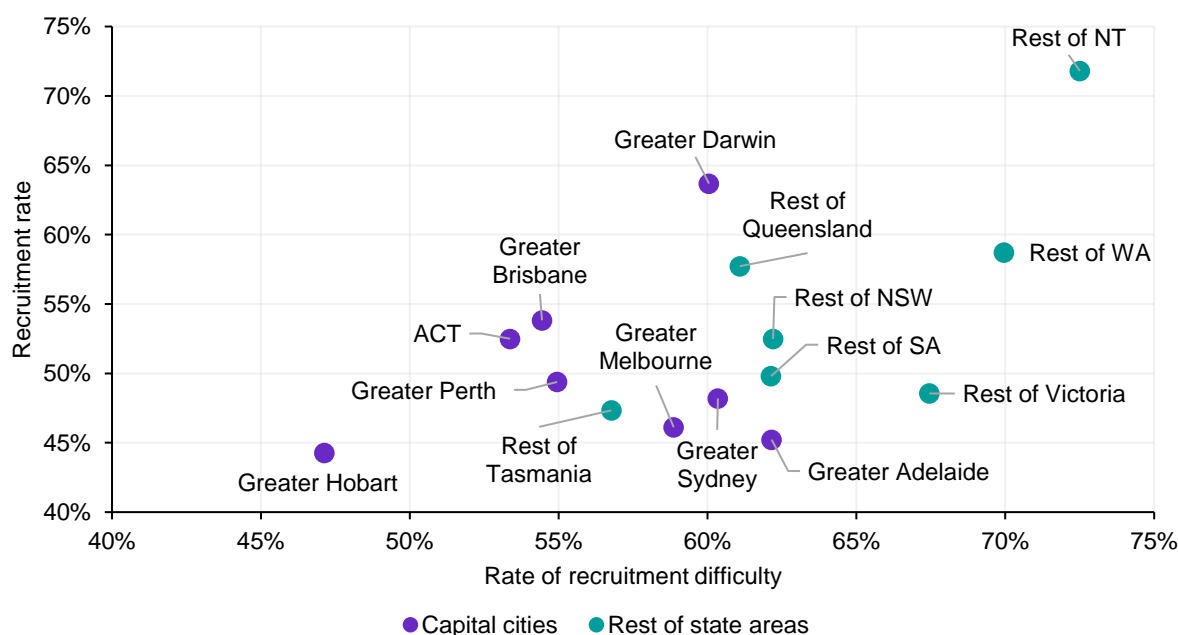
Source: Jobs and Skills Australia, Recruitment Experiences and Outlook Survey, December 2023.

Note 1: The recruitment difficulty rate is the proportion of recruiting employers who report having difficulty filling advertised roles. Disaggregated data are not published in January of each year. Accordingly, relevant data points have been joined by a dotted line.

Note 2: A Henderson smoothed line has been included in the charts to reduce month-to-month volatility and illustrate long-term patterns.

It is also worth noting that the recruitment difficulty rate varies within capital cities and rest of state areas. Figure 14 shows the regional variation observed over the past 12 months. In general, at similar rates of recruitment, rest of state areas tend to experience higher levels of difficulty. For example, Rest of Victoria is a relatively low recruiter (49%) and has high recruitment difficulty (67%), while Greater Melbourne has a lower difficulty rate (59%) at a similar rate of recruitment (46%).

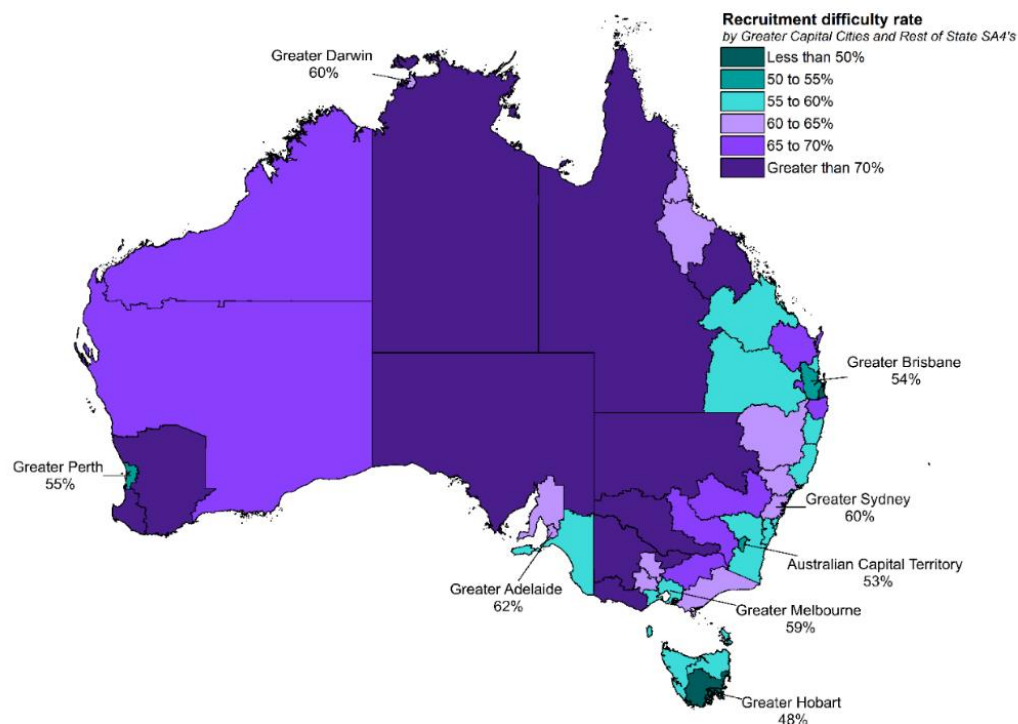
Figure 14: Rates of recruitment and recruitment difficulty by region (12 months to December 2023)



Source: Jobs and Skills Australia, Recruitment Experiences and Outlook Survey, December 2023.

Not surprisingly, recruitment difficulty rates generally tend to be higher in regions that are further away from large population hubs. Figure 15 shows recruitment difficulty recorded in the 12 months to December 2023, for each Statistical Area Level 4 region and Greater Capital City area. The higher recruitment difficulty rates in more remote areas can sometimes be explained by tighter labour market conditions, where employers can encounter greater challenges finding suitably qualified staff. This can also be further exacerbated in some areas as a result of their industry composition, with a focus on mining or agriculture, for example, and the consequent need for specialised skills.

Figure 15: Recruitment difficulty rates, 12 months to December 2023 – heatmap of SA4 regions and Greater Capital City areas



Source: Jobs and Skills Australia, Recruitment Experiences and Outlook Survey, December 2023. Results for rest of state SA4s are indicative only, due to small sample sizes for some regions.

Labour market conditions across industries and occupations

NB: The industry and occupation employment data included in the analysis below are sourced from ABS, Labour Force, Australia, Detailed, November 2023 and are trended by Jobs and Skills Australia. The skill level data have also been trended by Jobs and Skills Australia, while total employment data have been trended by the ABS.

Employment by industry

Reflecting a resilient labour market, employment increased in 12 industries, was steady in one and declined in 6 over the year to November 2023 (latest available ABS industry data). Health Care and Social Assistance, Construction and Manufacturing made the largest contributions to employment growth over the year (Figure 16). By contrast, the largest falls in employment over the year were recorded in Accommodation and Food Services, Agriculture, Forestry and Fishing, and Rental, Hiring and Real Estate Services.

Figure 16: Employment change by industry (Jobs and Skills Australia trend series), November 2022 to November 2023

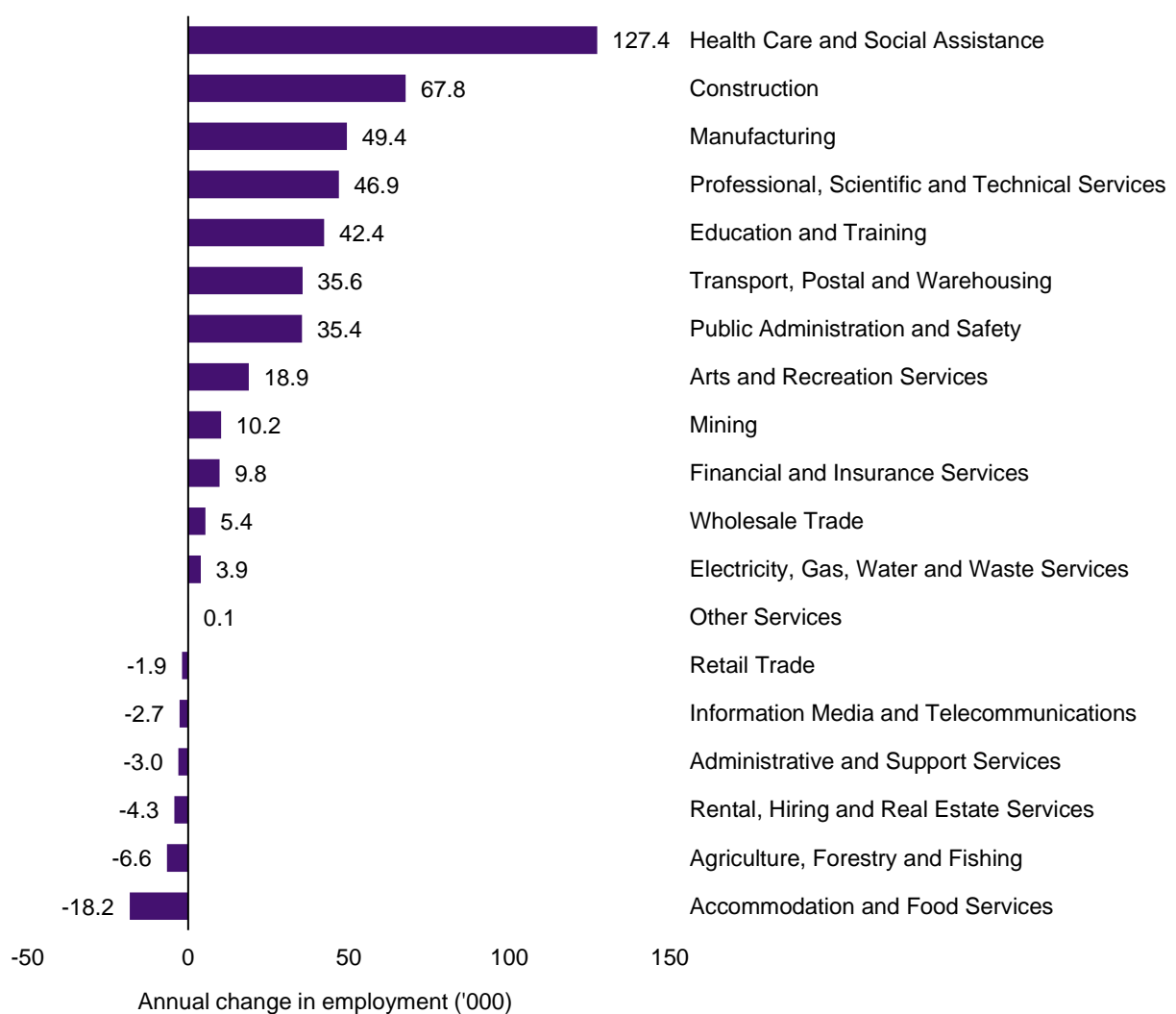


Table 5: Employment by industry²

Industry	Employment		Annual change to Nov-23		5-year change to Nov-23	
	Nov-23	Nov-22				
	('000)	('000)	('000)	(%)	('000)	(%)
Agriculture, Forestry and Fishing	302.5	309.1	-6.6	-2.1	-29.9	-9.0
Mining	299.8*	289.6	10.2	3.5	61.0	25.5
Manufacturing	924.8	875.4	49.4	5.6	9.9	1.1
Electricity, Gas, Water and Waste Services	165.3*	161.4	3.9	2.4	16.4	11.0
Construction	1,347.5*	1,279.7	67.8	5.3	170.8	14.5
Wholesale Trade	375.8	370.4	5.4	1.4	-2.2	-0.6
Retail Trade	1,334.8	1,336.7	-1.9	-0.1	59.3	4.6
Accommodation and Food Services	918.2	936.4	-18.2	-1.9	19.3	2.1
Transport, Postal and Warehousing	741.4*	705.8	35.6	5.0	91.3	14.0
Information Media and Telecommunications	187.3	190.0	-2.7	-1.4	-18.8	-9.1
Financial and Insurance Services	561.1*	551.3	9.8	1.8	119.6	27.1
Rental, Hiring and Real Estate Services	214.7	219.0	-4.3	-2.0	1.5	0.7
Professional, Scientific and Technical Services	1,328.8*	1,281.9	46.9	3.7	246.7	22.8
Administrative and Support Services	421.0	424.0	-3.0	-0.7	-2.7	-0.6
Public Administration and Safety	924.8*	889.4	35.4	4.0	104.7	12.8
Education and Training	1,191.1*	1,148.7	42.4	3.7	155.0	15.0
Health Care and Social Assistance	2,210.9*	2,083.5	127.4	6.1	527.1	31.3
Arts and Recreation Services	270.8*	251.9	18.9	7.5	28.1	11.6
Other Services	532.2	532.1	0.1	0.0	30.9	6.2
TOTAL EMPLOYMENT	14,286.9	13,841.4	445.5	3.2	1,606.3	12.7

*Denotes a record high in the November quarter 2023.

Notably, employment in 10 of the 19 broad industry groups reached a record high in the November 2023 quarter³ (Table 5).

Recruitment difficulty among industries

Over the year to the December quarter 2023, recruitment difficulty fell in all major industry divisions, except Professional, Scientific and Technical Services. Employers in the Accommodation and Food Services industry experienced the greatest decrease in recruitment difficulty, down by 27 percentage points over the year, to 41% of recruiting employers (Figure 17).

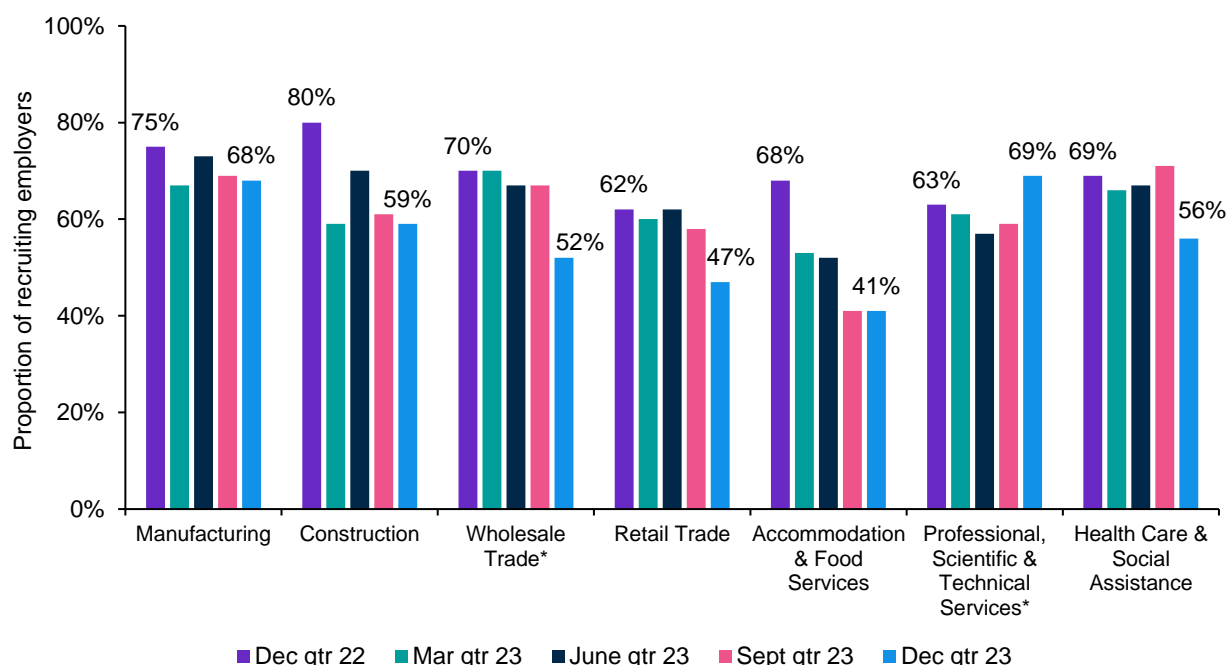
Despite recording a decline of 7 percentage points over the year, a large proportion of employers in the Manufacturing industry (68%) continued to experience difficulty recruiting in the December quarter 2023.

² Industry employment data are trended by Jobs and Skills Australia, while total employment data are trended by the ABS. Jobs and Skills Australia and the ABS use different trending methodologies, and industry employment data do not sum to total employment figures.

³ Jobs and Skills Australia trended quarterly industry employment data are available from the August 1986 quarter onwards.

On the other hand, Professional, Scientific and Technical Services recorded an increase in employers experiencing difficulty – up by 6 percentage points over the year, to 69% in December quarter 2023 and 10 percentage points above the rate recorded in the September quarter 2023.

Figure 17: Quarterly recruitment difficulty rate (proportion of recruiting employers) by industry, December quarter 2022 to December quarter 2023



Source: Jobs and Skills Australia, Recruitment Experiences and Outlook Survey, December 2023.

* Interpret with caution due to low sample size.

Employment by detailed industry

ABS data also show that 129 of the 214 detailed sectors across all industries (or 60.3%) recorded an increase in employment over the year to November 2023. Notably, 133 (or 62.1%) of the detailed industry sectors recorded an increase in employment over the last 5 years.

Over the year to November 2023:

- The largest increases in employment were recorded in Other Social Assistance Services (up by 60,900 or 13.1%), followed by Allied Health Services (up by 24,400 or 8.4%) and Computer System Design and Related Services (up by 20,300 or 6.1%).
- The largest falls in employment were recorded in Residential Care Services (down by 14,000 or 6.0%), followed by Cafes, Restaurants and Takeaway Food Services (down by 8,900 or 1.3%) and Personal Care Services (down by 8,200 or 7.1%).

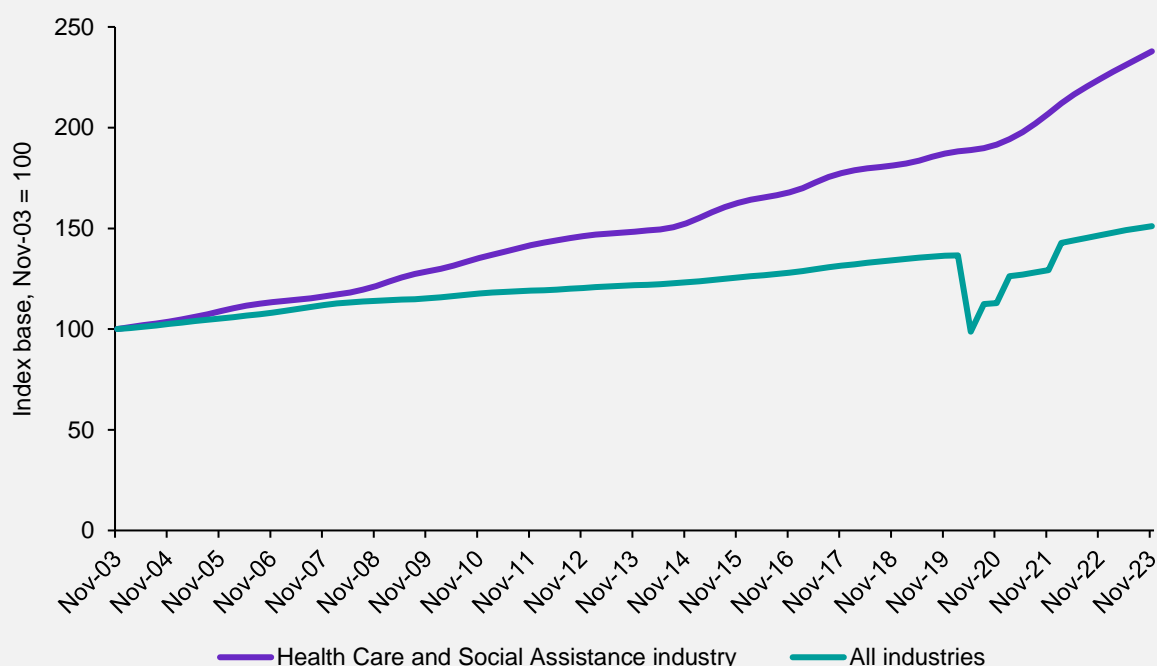
Over the 5 years to November 2023:

- The largest increases in employment were recorded in Other Social Assistance Services (up by 237,800 or 82.9%), followed by Hospitals (up by 124,200 or 27.3%) and Computer System Design and Related Services (up by 110,100 or 45.1%).
- The largest falls in employment were recorded in Residential Care Services (down by 32,300 or 12.9%), followed by Telecommunications Services (down by 16,100 or 17.1%) and Travel Agency and Tour Arrangement Services (down by 15,300 or 34.0%).

In focus: Health Care and Social Assistance industry

Employment in the Health Care and Social Assistance industry rose strongly, by 127,400 (or 6.1%) over the year to November 2023. This is the continuation of a long-term trend of sustained employment growth in this industry, with employment increasing by 1,281,500 (or 137.9%) over the 20 years to November 2023. It is also the strongest jobs growth of any industry recorded over the last 2 decades, far outpacing the growth rates observed across all industries over the same period (Figure 18). The robust growth recorded over the last 20 years has resulted in the Health Care and Social Assistance industry moving from Australia's third largest employing industry in November 2003, to the country's top employing industry in November 2023.

Figure 18: Employment change in the Health Care and Social Assistance industry (Jobs and Skills Australia trend series), November 2003 to November 2023



All 3-digit ANZSIC sectors in the Health Care and Social Assistance industry recorded growth over the 20 years to November 2023. The Other Social Assistance Services sector recorded the largest increase in employment over the period, up by 384,500 (or 274.5%). The Other Social Assistance Services sector includes adoption services, youth welfare services, disabilities assistance services, welfare counselling services and aged care assistance services. The strong jobs growth recorded in Other Social Assistance Services is not surprising, given the ageing of the population and the rollout of the National Disability Insurance Scheme.

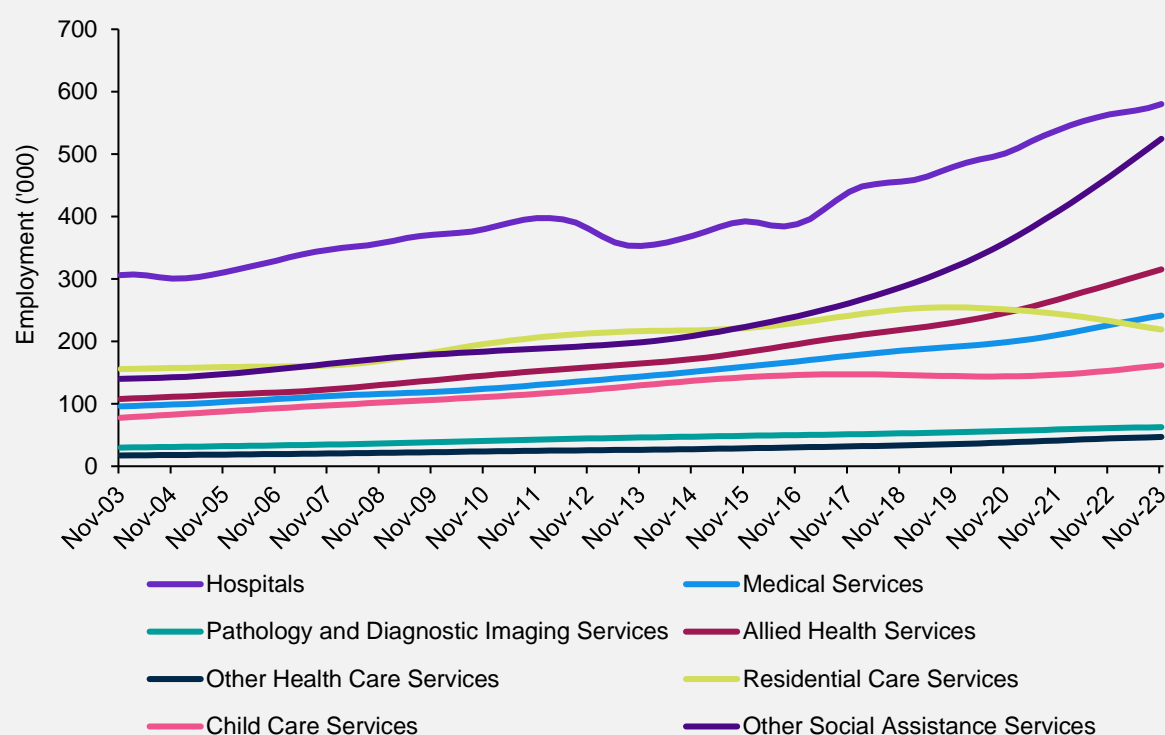
Other sectors within the industry that experienced strong growth over the last 20 years include Hospitals (up by 273,800 or 89.4%), Allied Health Services (up by 207,600 or 192.6%) and Medical Services (up by 145,500 or 151.7%). Figure 19 highlights the differentials in employment across the Health Care and Social Assistance sectors over the 20 years to November 2023.

The Other Social Assistance Services sector was a key driver of employment growth over the year to November 2023, with employment in the sector increasing by 60,900 (or 13.1%). Strong employment growth in the sector is likely to have been influenced, at least in part, by the increase in demand for various social services linked to the negative mental health

effects of the COVID-19 pandemic and ensuing lockdowns,⁴ as well as the ongoing demand for, and increased attendance hours at, childcare centres.⁵

Other sectors that recorded strong employment growth over the last 12 months include Allied Health Services (up by 24,400 or 8.4%) and Hospitals (up by 16,600 or 2.9%). Growth in these sectors may be attributable to the increase in demand for a range of health care and medical services (due to an increasing and ageing population), as well as the need for continued healthcare spending by federal and state governments during and after the COVID-19 pandemic, with 2022-23 healthcare expenditure constituting 16.8% of the Australian Government's total expenditure over the period.⁶

Figure 19: Employment in Health Care and Social Assistance industry sectors (Jobs and Skills Australia trend series), November 2003 to November 2023



Women account for 76% of employment in the Health Care and Social Assistance industry, compared with 48% for all industries.⁷ Around 43% of workers in the industry are employed on a part-time basis, with females more likely to work part-time (48%) than their male counterparts (28%).⁸ The median age of workers in the industry is 41 years, on par with the median age across all industries of 40 years.⁹

⁴ The University of Sydney, *Moving on from COVID means facing its impact on mental health*, March 2023

⁵ The Property Tribune, *Childcare centre market poised for growth in 2023*, 2023.

⁶ Australian Government, *Budget strategy and outlook paper no. 1: 2022-23*, (Canberra: Australian Government, 2022), 151.

⁷ ABS, *Detailed Labour Force, Australia, Quarterly, November 2023*, 4-quarter average data.

⁸ ABS, *Detailed Labour Force, Australia, Quarterly, November 2023*, 4-quarter average data.

⁹ ABS, *Detailed Labour Force, Australia, Quarterly, 2023 custom report, 2022 4-quarter average data*.

Skill levels

Employment increased in all 5 Skill Level groups over the year to November 2023. Skill Level 1 occupations (commensurate with a Bachelor Degree or higher) recorded the largest increase in employment over the year (up by 181,100 or 3.8%), followed by Skill Level 4 occupations (commensurate with a Certificate III or II) (up by 141,300 or 4.3%), Skill Level 3 occupations (commensurate with a Certificate IV or III) (up by 69,000 or 3.4%) and Skill Level 2 occupations (commensurate with an Advanced Diploma or Diploma) (up by 28,300 or 1.7%). Skill Level 5 occupations (commensurate with a Certificate I or secondary education) recorded the smallest increase in employment over the period, of 25,200 (or 1.3%).

Table 6: Employment by skill levels¹⁰

Skill Levels	Employment		Annual change to Nov-23		5-year change to Nov-23	
	Nov-23	Nov-22	Nov-23		Nov-23	
	('000)	('000)	('000)	(%)	('000)	(%)
Skill Level 1 Occupations	4,954.3	4,773.1	181.1	3.8	946.6	23.6
Skill Level 2 Occupations	1,733.5	1,705.2	28.3	1.7	165.6	10.6
Skill Level 3 Occupations	2,119.9	2,050.9	69.0	3.4	102.0	5.1
Skill Level 4 Occupations	3,445.4	3,304.1	141.3	4.3	337.7	10.9
Skill Level 5 Occupations	2,022.4	1,997.2	25.2	1.3	13.5	0.7
TOTAL EMPLOYMENT	14,286.9	13,841.4	445.5	3.2	1,606.3	12.7

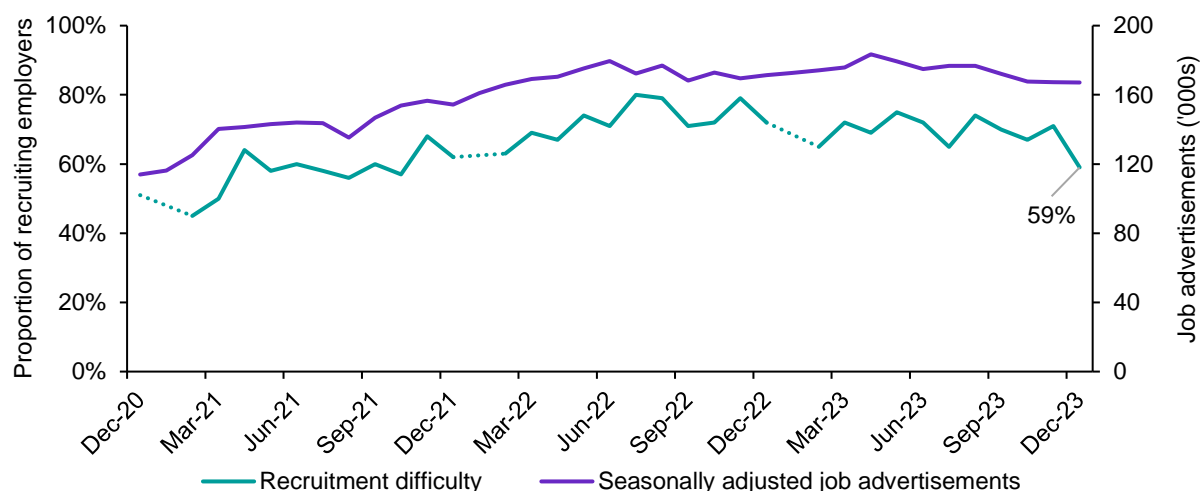
The shift towards higher skilled occupations in recent years is a continuation of a long-term trend, as the workforce has become more highly educated and employment has transitioned towards more services-based industries. Over the 5 years to November 2023, the share of total employment accounted for by Skill Level 1 occupations increased by 3.1 percentage points, to 34.7% in November 2023, while the share of total employment accounted for by Skill Level 5 occupations fell, by 1.7 percentage points, to 14.2%.

In addition, Figures 20a and 20b show that, in December 2023, more employers had difficulty recruiting for higher skilled occupations (59% for Skill Level 1 to 3 occupations) than for lower-skilled occupations (40% for Skill Level 4 and 5 occupations). It is worth noting that recruitment difficulty experienced by employers filling lower skilled vacancies fell by 18 percentage points over the year, compared with a 13 percentage point reduction in difficulty experienced by those recruiting for higher skilled jobs over the same period.

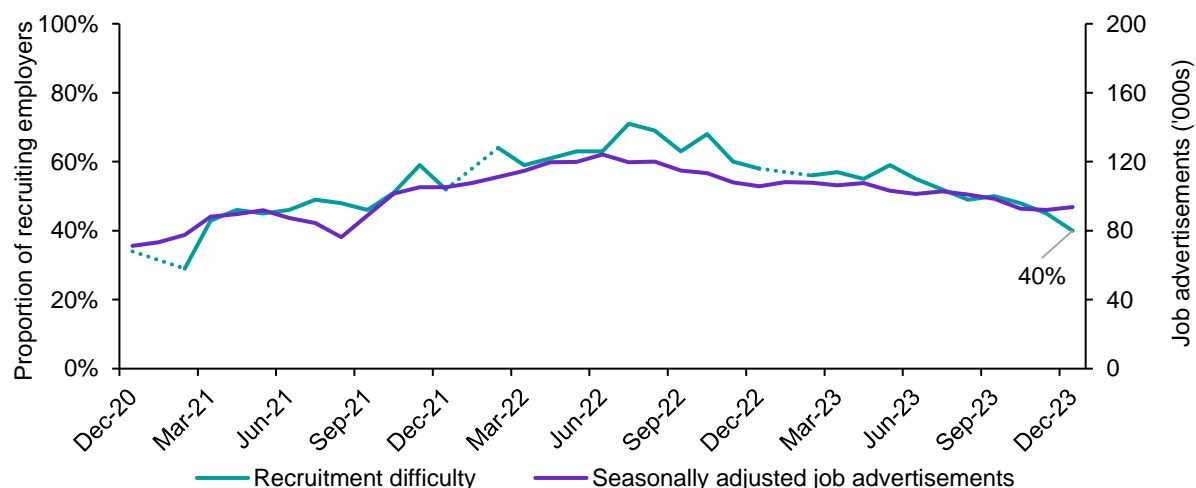
¹⁰ Skill Level data are trended by Jobs and Skills Australia. Total employment data are trended by the ABS. Jobs and Skills Australia and ABS use different trending methodologies, and Skill Level data do not sum to total employment figures.

Figure 20 (a-b): Monthly recruitment difficulty rate and Internet Vacancy Index job advertisements by skill level of occupation, December 2020 to December 2023

a. Higher skilled (ANZSCO Skill Level 1-3)



b. Lower skilled (ANZSCO Skill Level 4-5)



Source: Jobs and Skills Australia, Recruitment Experiences and Outlook Survey, December 2023; Jobs and Skills Australia, Internet Vacancy Index, December 2023.

Note: Disaggregated data are not published in January of each year. Accordingly, relevant data points have been joined by a dotted line.

Occupational breakdown

Employment increased in all 8 major occupation groups over the year to November 2023.

Over the 5 years to November 2023, however, employment rose in 7 major occupation groups and declined in one (Table 7).

Over the year to November 2023:

- The largest increases in employment were recorded for Professionals (up by 162,100 or 4.5%), Clerical and Administrative Workers (up by 105,200 or 5.9%) and Community and Personal Services Workers (up by 71,900 or 4.7%).

Over the 5 years to November 2023:

- The largest increases in employment were recorded for Professionals (up by 705,400 or 23.2%), Managers (up by 290,100 or 18.8%), and Community and Personal Service Workers (up by 243,200 or 18.0%).

Table 7: Employment by major occupation group¹¹

Occupation	Employment		Annual change to Nov-23		5-year change to Nov-23	
	Nov-23	Nov-22				
	('000)	('000)	('000)	(%)	('000)	(%)
Managers	1,835.1	1,825.0	10.1	0.6	290.1	18.8
Professionals	3,744.5	3,582.4	162.1	4.5	705.4	23.2
Technicians and Trades Workers	1,939.3	1,894.1	45.2	2.4	122.9	6.8
Community and Personal Service Workers	1,593.5	1,521.5	71.9	4.7	243.2	18.0
Clerical and Administrative Workers	1,893.4	1,788.2	105.2	5.9	140.5	8.0
Sales Workers	1,122.9	1,114.7	8.2	0.7	6.8	0.6
Machinery Operators and Drivers	907.1	888.5	18.6	2.1	51.6	6.0
Labourers	1,212.0	1,202.7	9.3	0.8	-9.2	-0.8
TOTAL EMPLOYMENT	14,286.9	13,841.4	445.5	3.2	1,606.3	12.7

Internet vacancies by occupation

Over the 3 months to December 2023, recruitment activity decreased across all major occupation groups. Labourers, Sales Workers and Clerical and Administrative Workers, recorded the largest decreases (in percentage terms) in internet vacancies over the quarter (down by 7.6%, 5.6% and 4.0%, respectively). The declines recorded among Professionals and Managers were somewhat smaller (down by 3.8% and 3.5%), while demand for Technicians and Trades Workers, Community and Personal Service Workers and Machinery Operators and Drivers remained the most resilient over the quarter (with vacancies in those occupations down by 1.8%, 1.8% and 2.2%, respectively) – see Table 8.

Despite the decline over the quarter, vacancies remain at relatively high levels at the national level. As at December 2023, the number of internet advertisements captured by the Internet Vacancy Index (IVI) remains at a level not seen in Australia since prior to the Global Financial Crisis in 2008.

The November occupational IVI vacancy ratio indicates a softening in, and narrowing of, demand relative to employment, with only Professionals, Technicians and Trades Workers, and Clerical and Administrative Workers recording values above the all-occupation average for December 2023 (1.8%). The IVI vacancy rate remains high and is well above the recent low of 0.5% recorded in April 2020. It also remains above the average recorded over the decade preceding the pandemic (1.5%).

¹¹ Occupation group data are trended by Jobs and Skills Australia. Total employment data are trended by the ABS. Jobs and Skills Australia and ABS use trending methodologies, and occupation group data do not sum to total employment figures.

Table 8: Change in internet advertisements, and IVI vacancy ratios, for major occupation groups (online job advertisements as a proportion of employment)¹²

	Dec-23 (no.)	Quarterly change (no.)	Quarterly change (%)	IVI vacancy ratio Nov-23 (%)
Managers	29,300	-1,100	-3.5%	1.6%
Professionals	78,200	-3,100	-3.8%	2.1%
Technicians and Trades Workers	36,600	-680	-1.8%	1.9%
Community and Personal Service Workers	29,700	-550	-1.8%	1.7%
Clerical and Administrative Workers	38,600	-1,600	-4.0%	2.0%
Sales Workers	19,100	-1,100	-5.6%	1.7%
Machinery Operators and Drivers	13,900	-320	-2.2%	1.5%
Labourers	15,200	-1,300	-7.6%	1.3%
ALL OCCUPATIONS	261,200	-9,500	-3.5%	1.8% (Dec-23)

Source: ABS, Labour Force Australia Detailed, November 2023, original data; ABS, Labour Force Australia, December 2023, seasonally adjusted data; Jobs and Skills Australia, Internet Vacancy Index, December 2023, seasonally adjusted data.

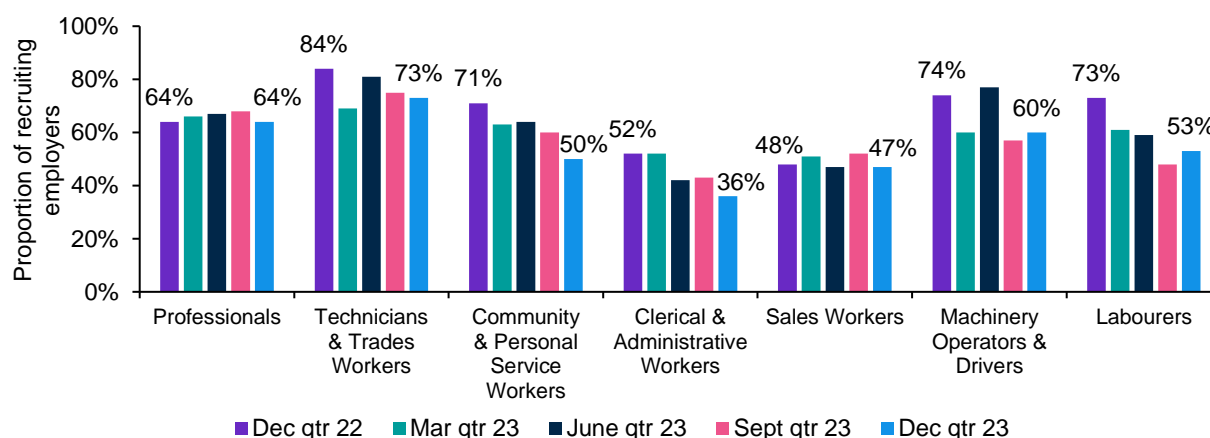
Recruitment difficulty by occupation

The recruitment difficulty experienced by employers looking to fill different occupations fell across all categories between the December quarter 2022 and the December quarter 2023, except for Professionals which was steady (Figure 21).

The largest decrease in recruitment difficulty over the year to the December quarter 2023 was experienced by employers seeking Community and Personal Services workers (down by 21 percentage points to 50%) and Labourers (down by 20 percentage points to 53%).

Despite the easing in recruitment difficulty, 73% of employers recruiting for Technicians and Trades Workers continued to experience difficulty recruiting in the December quarter 2023. Employers looking to recruit Professionals also experienced difficulty filling their vacancies, with 64% reporting recruitment difficulty in the December quarter 2023. On the other hand, the occupation group that recorded the lowest level of recruitment difficulty (36%) was Clerical and Administrative workers.

Figure 21: Quarterly recruitment difficulty rate (proportion of recruiting employers) by major occupation group, December quarter 2022 to December quarter 2023



Source: Jobs and Skills Australia, Recruitment Experiences and Outlook Survey, December 2023.

¹² Online job advertisements can be slightly biased towards higher skilled positions. Employers with lower skilled vacancies are more likely to use informal recruitment methods, such as social media or word of mouth.

Employment by detailed occupation

Of the 358 detailed occupations, 229 (or 64.0%) recorded an increase in employment over the year to November 2023. Similarly, 237 (or 66.2%) of the detailed occupations recorded an increase in employment over the past 5 years.

Over the year to November 2023:

- The largest increases in employment were recorded for Aged and Disabled Carers (up by 21,000 or 7.4%), followed by Registered Nurses (up by 16,000 or 5.0%), and Management and Organisation Analysts (up by 11,100 or 10.7%).
- The largest falls in employment were recorded for Checkout Operators and Office Cashiers (down by 5,700 or 4.1%), followed by Commercial Cleaners (down by 5,400 or 3.6%) and Office Managers (down by 5,300 or 3.9%).

Over the 5 years to November 2023:

- The largest increases in employment were recorded for Aged and Disabled Carers (up by 117,300 or 62.9%), followed by Sales Assistants (General) (up by 63,700 or 12.7%) and Registered Nurses (up by 54,800 or 19.2%).
- The largest falls in employment were recorded for Checkout Operators and Office Cashiers (down by 22,000 or 14.1%), followed by Keyboard Operators (down by 15,200 or 25.7%) and Sales Representatives (down by 12,300 or 14.7%).

Table 9: Occupations with the largest increases in employment over the year to November 2023

Occupation	Skill Level ¹³	Employment		Annual change to Nov-23		5-year change to Nov-23	
		Nov-23 (‘000)	Nov-22 (‘000)	to Nov-23 (‘000)	(%)	to Nov-23 (‘000)	(%)
Aged and Disabled Carers	4	303.7	282.7	21.0	7.4	117.3	62.9
Registered Nurses	1	339.9	323.9	16.0	5.0	54.8	19.2
Management and Organisation Analysts	1	114.5	103.5	11.1	10.7	43.7	61.7
Contract, Program and Project Administrators	2	159.5	148.6	10.9	7.3	35.0	28.1
ICT Managers	1	92.9	83.8	9.1	10.8	33.9	57.3
Child Carers	3	158.9	150.3	8.7	5.8	15.3	10.6
Software and Applications Programmers	1	169.3	161.0	8.3	5.2	45.4	36.7
Electricians	3	181.0	173.3	7.6	4.4	29.4	19.4
Education Aides	4	125.3	117.8	7.5	6.4	25.8	25.9
Welfare Support Workers	2	84.8	79.4	5.5	6.9	25.6	43.3

¹³ Skill Level 1 is commensurate with a Bachelor degree or higher qualification; Skill Level 2 is commensurate with an Advanced Diploma or Diploma; Skill Level 3 is commensurate with a Certificate IV or III (including at least 2 years' on-the-job training); Skill Level 4 is commensurate with a Certificate II or III; Skill Level 5 is commensurate with a Certificate I or secondary education.

Table 10: Occupations with the largest falls in employment over the year to November 2023

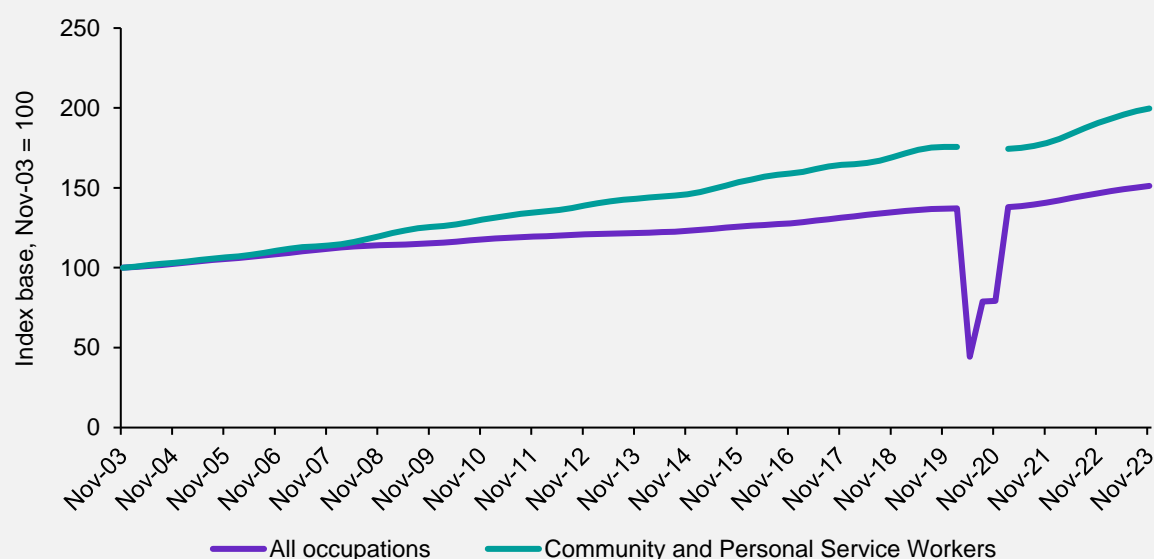
Occupation	Skill Level ¹¹	Employment		Annual change		5-year change	
		Nov-23 (‘000)	Nov- 22 (‘000)	to Nov-23		to Nov-23	
				(‘000)	(%)	(‘000)	(%)
Checkout Operators and Office Cashiers	5	134.0	139.8	-5.7	-4.1	-22.0	-14.1
Commercial Cleaners	5	145.8	151.2	-5.4	-3.6	-11.1	-7.1
Office Managers	2	129.2	134.4	-5.3	-3.9	-10.0	-7.2
Sales Assistants (General)	5	563.9	568.8	-4.8	-0.9	63.7	12.7
Keyboard Operators	4	43.9	47.8	-3.9	-8.2	-15.2	-25.7
Architects and Landscape Architects	1	27.7	30.4	-2.8	-9.1	-2.2	-7.3
Bus and Coach Drivers	4	38.3	40.9	-2.6	-6.4	-5.6	-12.7
Waiters	4	128.4	130.7	-2.3	-1.8	-3.5	-2.7
Crop Farm Workers	5	18.5	20.8	-2.3	-11.0	-6.3	-25.4
Other Sales Assistants and Salespersons	5	14.8	17.0	-2.2	-13.2	-5.5	-27.2

In focus: Community and Personal Service Workers

Employment in the Community and Personal Services Workers major occupational group increased strongly, by 71,900 (or 4.7%), over the year to November 2023. Clerical and Administrative Workers (up by 5.9% over the last 12 months) was the only major occupational group where employment growth exceeded Community and Personal Service Workers (in percentage terms).

The Community and Personal Service Workers major occupational group has almost doubled in size over the last 20 years, increasing by 795,400 (or 99.7%), outpacing the employment growth observed across all major occupational groups over the same period (Figure 22).

Figure 22: Employment change in the Community and Personal Service Workers major occupational group (Jobs and Skills Australia trend series), November 2003 to November 2023

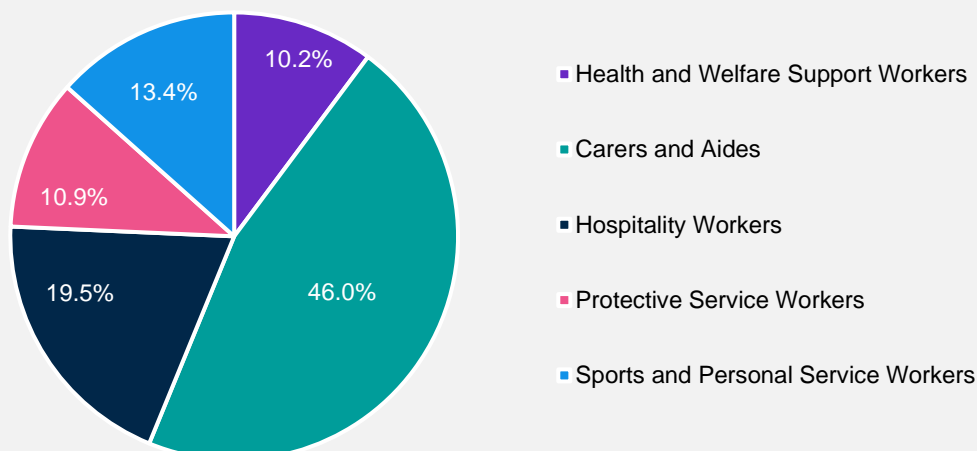


Note: Given large month-to-month changes during the initial COVID-19 period, resulting in multiple trend breaks, Jobs and Skills Australia has suppressed data for Community and Personal Services Workers during the initial COVID-19 period.

The strong growth in employment recorded over the last 20 years has resulted in Community and Personal Services Workers moving from Australia's seventh largest employing major occupational group in November 2003, to the country's fifth largest employing major occupational group in November 2023. This has been due, in large part, to ongoing structural shifts in the economy and changes to the way Australians work, with the share of Labourers, Sales Workers and Clerical and Administrative Workers declining, as a result of technological advancements, while the share of Managers, Professionals and Community and Personal Service Workers has increased.

The Community and Personal Services Workers major occupational group consists of 5 diverse categories of occupations – Health and Welfare Support Workers, Carers and Aides, Hospitality Workers, Protective Service Workers, and Sports and Personal Service Workers (Figure 23).

Figure 23: Composition of the Community and Personal Services major occupational group, November 2023



The majority (69%) of Community and Personal Service Workers are female, while more than half (53%) are employed on a part-time basis.¹⁴ The median age of Community and Personal Service Workers is 35 years, younger than the all-occupations median age of 40 years.¹⁵

The top employing occupation within Community and Personal Service Workers in November 2023 was Aged and Disabled Carers (303,700), followed by Child Carers (158,900) and Waiters (128,400) – see Table 11 for the top 10 employing occupations within the Community and Personal Services major occupational group.

Table 11: Top 10 employing occupations within the Community and Personal Services major occupational group

Occupation	Skill Level ¹⁶	Employment		Annual change		5-year change	
		Nov-23 (‘000)	Nov-22 (‘000)	to Nov-23 (‘000)	(%)	to Nov-23 (‘000)	(%)
Aged and Disabled Carers	4	303.7	282.7	21.0	7.4	117.3	62.9
Child Carers	3	158.9	150.3	8.7	5.8	15.3	10.6
Waiters	4	128.4	130.7	-2.3	-1.8	-3.5	-2.7
Education Aides	4	125.3	117.8	7.5	6.4	25.8	25.9
Bar Attendants and Baristas	4	114.5	110.6	4.0	3.6	12.1	11.8
Nursing Support and Personal Care Workers	4	103.9	99.0	4.9	5.0	10.3	11.0
Welfare Support Workers	2	84.8	79.4	5.5	6.9	25.6	43.3
Police	2	68.8	69.4	-0.5	-0.8	3.7	5.7
Security Officers and Guards	4	59.5	59.0	0.5	0.9	2.8	4.9
Sports Coaches, Instructors and Officials	4	51.3	50.0	1.4	2.7	3.4	7.2

¹⁴ ABS, Detailed Labour Force, Australia, Quarterly, 2023 custom report, 2022 4-quarter average data.

¹⁵ Ibid.

¹⁶ Skill Level 1 is commensurate with a Bachelor degree or higher qualification; Skill Level 2 is commensurate with an Advanced Diploma or Diploma; Skill Level 3 is commensurate with a Certificate IV or III (including at least 2 years’ on-the-job training); Skill Level 4 is commensurate with a Certificate II or III; Skill Level 5 is commensurate with a Certificate I or secondary education.

In focus: Understanding declining internet vacancies amid persistent skill shortages for Hairdressers

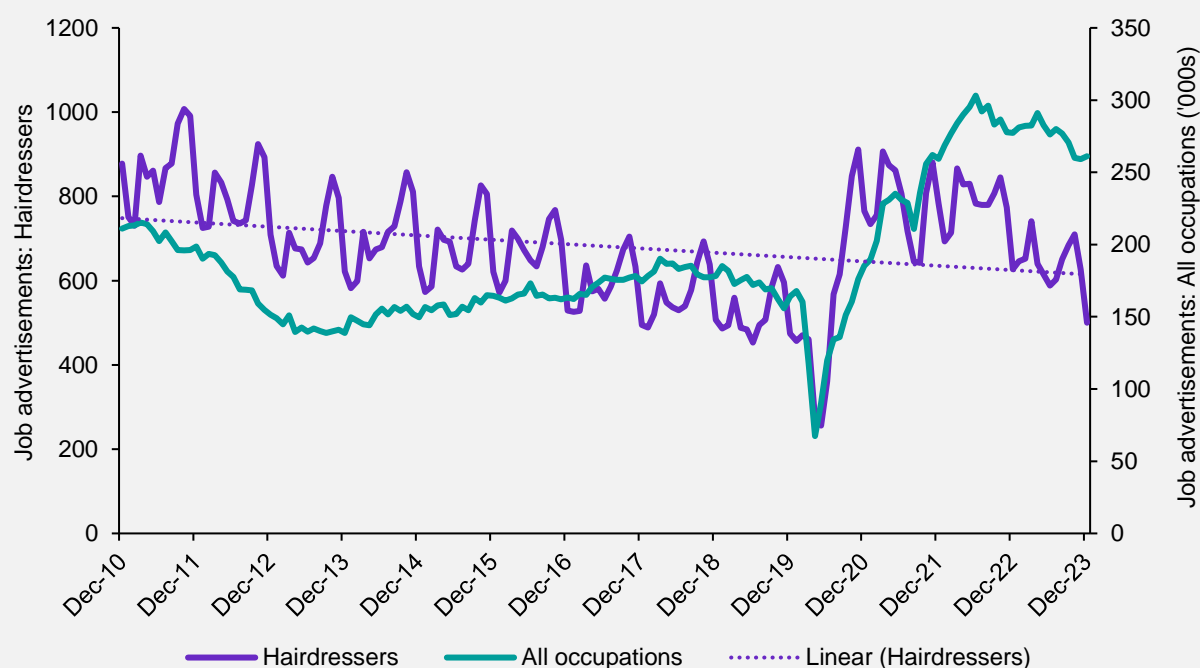
Internet Vacancy Index (IVI) data show that job advertisements for Hairdressers surged following the onset of the COVID-19 pandemic, although the downward trend in online job advertisements for Hairdressers, which was observed in the decade preceding the pandemic, is returning. Growing rates of self-employment among Hairdressers and the ineffectiveness of typical advertising methods may go some way to explaining this trend. Stakeholder feedback also indicates challenges exist in securing suitable and qualified staff.

Trends in Hairdresser job advertisements

Over the decade preceding the pandemic, online job advertisements for Hairdressers were trending downwards. Following the COVID-19 shock, however, demand for Hairdressers increased notably (at a rate exceeding the all-occupation average). The downward trend resumed following the peak in the number of vacancies in March 2021 (Figure 24).¹⁷

Online job advertisements for Hairdressers decreased by 270 job advertisements (or 37.2%) across Australia over the decade to January 2020, compared with a decline of 1.0% for job advertisements for all occupations at the national level. Over the 6-month period between May and November 2020, however, Hairdresser vacancies increased significantly, by 660 job advertisements (or 256.0%). By way of comparison, it took more than 2 years for the all-occupations average to increase by a similar percentage (with total vacancy numbers rising by 242.1% from June 2020, to October 2022). That said, the rapid growth in vacancies has not been sustained. Online job advertisements for Hairdressers decreased by 10 job advertisements (or 1.3%) over the 5 years to December 2023, compared with an increase of 42.9% in vacancies for all occupations over the same period.

Figure 24: All occupations and hairdresser job advertisements, December 2010 to December 2023



Source: Jobs and Skills Australia, Internet Vacancy Index, 3-month averaged and seasonally adjusted data, December 2023.

¹⁷ Jobs and Skills Australia, [Internet Vacancy Index](#), 3-month averaged data, December 2023.

Hairdressers are in short supply

Jobs and Skills Australia's Skills Priority List 2023 highlights the persistent skills shortage for Hairdressers.¹⁸ This research suggests most Hairdresser applicants lack suitable qualifications or experience, with employers turning to alternative methods to fill vacancies and even declining available work.

Jobs and Skills Australia undertakes a survey of employers who have recently advertised to inform its skill shortage research. In 2022-23, fewer than half (44.8%) of surveyed Hairdresser vacancies were filled, while most applicants (84.7%) were considered unsuitable. Moreover, around two-thirds of *qualified* applicants were considered unsuitable. The most frequently reported reasons candidates were deemed unsuitable were the lack of experience (69.0%) or qualifications (64.3%) and factors related to either poor presentation or performance during the application or interview process (42.9%). Employers with unfilled vacancies mostly planned to readvertise – either rerunning the same advertisement (84.6%) or seeking candidates through alternative means, such as word-of-mouth (50.0%). Around one in 10 employers intended to cancel or turn down work, due to unfilled vacancies.

These results are complemented by another survey run by Jobs and Skills Australia, the *Recruitment Experiences and Outlook Survey*, which indicates that recruitment difficulty is more prevalent when recruiting for Hairdressers, compared with the average across all occupations.¹⁹

If hairdressers are in shortage, why are job advertisements falling?

As noted above, the IVI results only capture part of the picture of demand for Hairdressers. Part of the reason for fewer advertisements could be due to the nature of hairdressing work changing. Indeed, ABS Census data show that a large and increasing proportion of working Hairdressers are self-employed.²⁰ In the 2021 Census, 53.5% of Hairdressers were employees (down from 57% in the 2016 Census). The remainder were owner managers, most commonly without employees (31.2%).

While the IVI shows vacancy numbers are declining, employment for Hairdressers has been stable. In November 2023, there were around 61,800 Hairdressers employed across Australia, with this number decreasing slightly, by 3.3%, over the past 5 years.²¹

The fall in the IVI numbers may also reflect employers not using traditional methods of recruitment. Survey data from Jobs and Skills Australia showed around two-thirds of the employers recruiting Hairdressers were doing so via word-of-mouth or through social media.²² Both of these methods are not captured within the IVI data.

These sources go some way to explaining the decrease in online job advertisements for Hairdressers, despite the occupation being in persistent shortage.

¹⁸ Jobs and Skills Australia, [2023 Skills Priority List](#), 2023

¹⁹ Jobs and Skills Australia, [Recruitment Experiences and Outlook Survey](#), unpublished data, September 2023.

²⁰ Australian Bureau of Statistics, [Hairdresser Employment \(OCCP\) by Status in Employment \(SIEMP\) 2016 and 2021](#) [Census TableBuilder], 2021.

²¹ Australian Bureau of Statistics, *Labour Force, Australia, Detailed*, November 2023, trend data by Jobs and Skills Australia.

²² Jobs and Skills Australia, [Recruitment Experiences and Outlook Survey](#), unpublished data, December 2023.

Jobs and Skills Australia

resources

Key data, resources and reports can be found on the Jobs and Skills Australia website:

<https://www.jobsandskills.gov.au/>

Resource	Publication notes
Internet Vacancy Index The Internet Vacancy Index (IVI) is a monthly count of online job advertisements compiled by Jobs and Skills Australia.	The Vacancy Report is published on the third Wednesday of the month.
Recruitment Experiences and Outlook Survey Survey of at least 1000 employers each month to find out about their experience when recruiting staff.	The Recruitment Insights Report is published on the third Tuesday of the month, while regular special topic Spotlight reports are also published monthly.
Skill Shortages Analysis Skills shortage analysis including the annual Skills Priority List (SPL) and reports on Skills Shortages.	The SPL is released annually (around September), while the Skills Shortage Quarterly provides quarterly insights.
Small Area Labour Markets (SALM) Estimates of unemployment and the unemployment rate at the Statistical Area Level 2 (SA2) and Local Government Area (LGA) level.	SALM data are released quarterly.
Australian Skills Classification Explores the connections between skills and jobs.	
Jobs and Skills Atlas Provides an overview of the labour market at national, state and regional level by occupations, skills and industries.	Atlas will be updated with the data for the previous month, by the last Friday of every month.
Employment Region Dashboards and Profile Monthly Labour Market Dashboards, Recruitment Trends and Employer Needs Profiles, and Industry Profiles.	
Nowcast of Employment Region and Occupation (NERO) Experimental dataset providing information on employment in 355 occupations across 88 regions in Australia.	NERO data will be updated monthly.
International Labour Market Update Provides key labour market data for Australia and selected overseas countries and country groups.	The September 2023 report is currently available.