Employers who hired a jobless applicant

Overview

In September 2023, there were over half a million unemployed people in Australia. In the 12 months to September 2023, around one-fifth of Australian jobseekers were long-term unemployed, that is they had been searching for work for more than 12 months.[1]

This month's spotlight provides analysis on the types of jobs for which employers are more likely to hire jobless applicants. The analysis is based on data from the Recruitment Experiences and Outlook Survey (REOS), which asks recruiting employers whether the people they recently hired had a job or not at the time of the recruitment. The analysis is based on data that was collected over the 12 months to September 2023. This paper complements a recent spotlight on entry level job seekers which is available on the Jobs and Skills Australia website.

Some notes about the data

The survey does not identify the length of time candidates have been jobless, nor the candidate's qualifications, skills, or labour market barriers they face. Jobless applicants can be people who are returning to the labour market after a break and new entrants into the workforce.

The analysis excludes 'unsure' responses. However, this question received a high proportion of 'unsure' responses (16% of employers who were asked the question were 'unsure'). These results should therefore be treated with a degree of caution.

Note that employers often advertise for more than one vacancy and may have filled that position with a mix of employed or jobless applicants. Some surveyed employers were not able to fill their vacancies. Reported proportions are based on employers who recruited and also filled at least one vacancy.

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[1] Australian Bureau of Statistics (ABS), Labour Force, Australia, September 2023

Key findings

- Employers are more likely to hire a jobless applicant for positions:

  – that are casual, part-time, in outer regional and remote areas, and in larger businesses.

  – that don't require post-school education (particularly some Skill Level 5 Labourers and Sales Worker positions). [2]

  – in specific occupation groups such as Food Preparation Assistants, Cleaners and Laundry Workers, and Factory Process Workers.

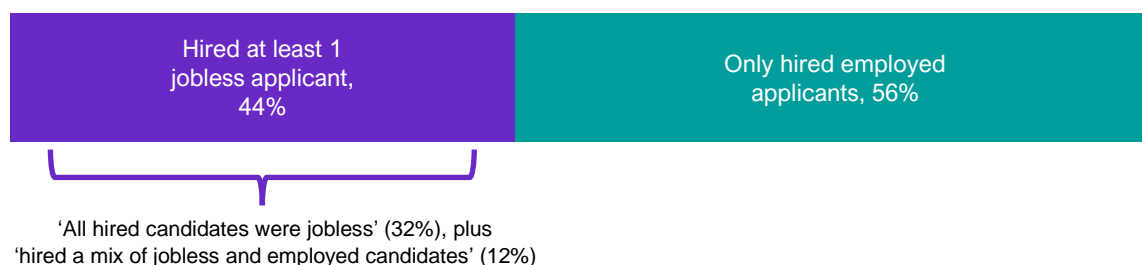 – in industries such as Accommodation and Food Services, and Retail Trade.

Overall results

Just over half of surveyed employers (52%) were either in the process of recruiting or had recruited in the last month.

In total, 44% of surveyed employers hired at least one jobless candidate (Figure 1). While this figure seems high, it is important to keep in mind that the occupations surveyed by REOS tend to under-represent very high skilled jobs (including Managers). Employers are more likely to hire a jobless applicant into Skill level 4 and 5 roles and are also more likely to hire job applicants without work experience into these positions.[3]

Furthermore, current tight labour market conditions are also likely to influence the proportion of employers hiring jobless applicants, with the unemployment rate near historical lows in September 2023.

Figure 1: Employers who filled their vacancy/s, by whether employed or jobless candidate/s were hired (as a proportion of recruiting employers, 12 months to September 2023)

| Hired at least 1 jobless applicant, 44% | Only hired employed applicants, 56% |

'All hired candidates were jobless' (32%), plus
'hired a mix of jobless and employed candidates' (12%)

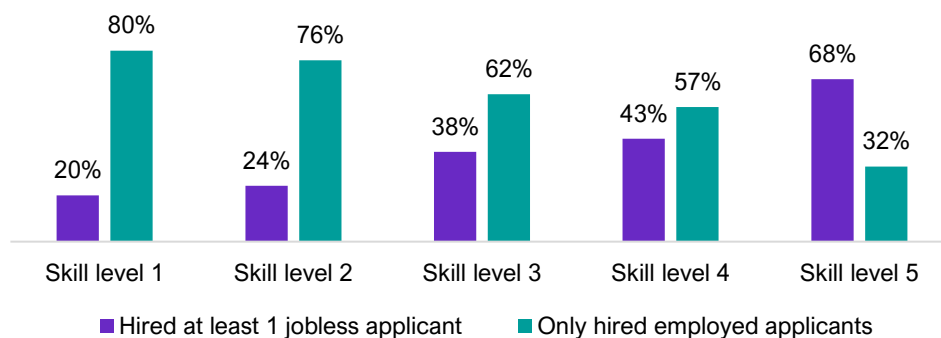Source: Jobs and Skills Australia, Recruitment Experiences and Outlook Survey, September 2023.

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[2] Occupation Skill levels are as defined by the Australian and New Zealand Standard Classification of Occupations (ANZSCO). Skill Level 1 and 2 occupations generally require a diploma, advanced diploma, Bachelor degree or higher education. Skill Level 3 occupations generally require a Certificate III or IV. Skill Level 4 occupations generally require a Certificate II or III. Skill Level 5 occupations generally have no post-school qualification requirements.

[3] Jobs and Skills Australia, Recruitment Experiences and Outlook Survey, Recruitment patterns for entry level vacancies, August 2023

Results by skill level and occupation

Perhaps unsurprisingly, the skill level of the advertised position was strongly correlated with whether a jobless applicant had been hired. Only 20% of employers who recently filled Skill level 1 positions hired a jobless applicant. For Skill level 5 positions, more than two thirds (68%) hired a jobless applicant (Figure 2).

Figure 2: Employers who filled their vacancy/s, by whether employed or jobless candidate/s were hired, by Skill level (proportion of recruiting employers, 12 months to September 2023)

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

By occupation, the largest proportion of employers who hired at least one jobless applicant were recruiting for Labourers (72%) followed by Sales Workers (52%), (Figure 3). In contrast, employers who were hiring for Professionals or Managers were the least likely to hire jobless applicants when recruiting (20% and 13% respectively).

Figure 3: Employers who filled their vacancy/s, by whether employed or jobless candidate/s were hired, by occupation group (as a proportion of recruiting employers, 12 months to September 2023)
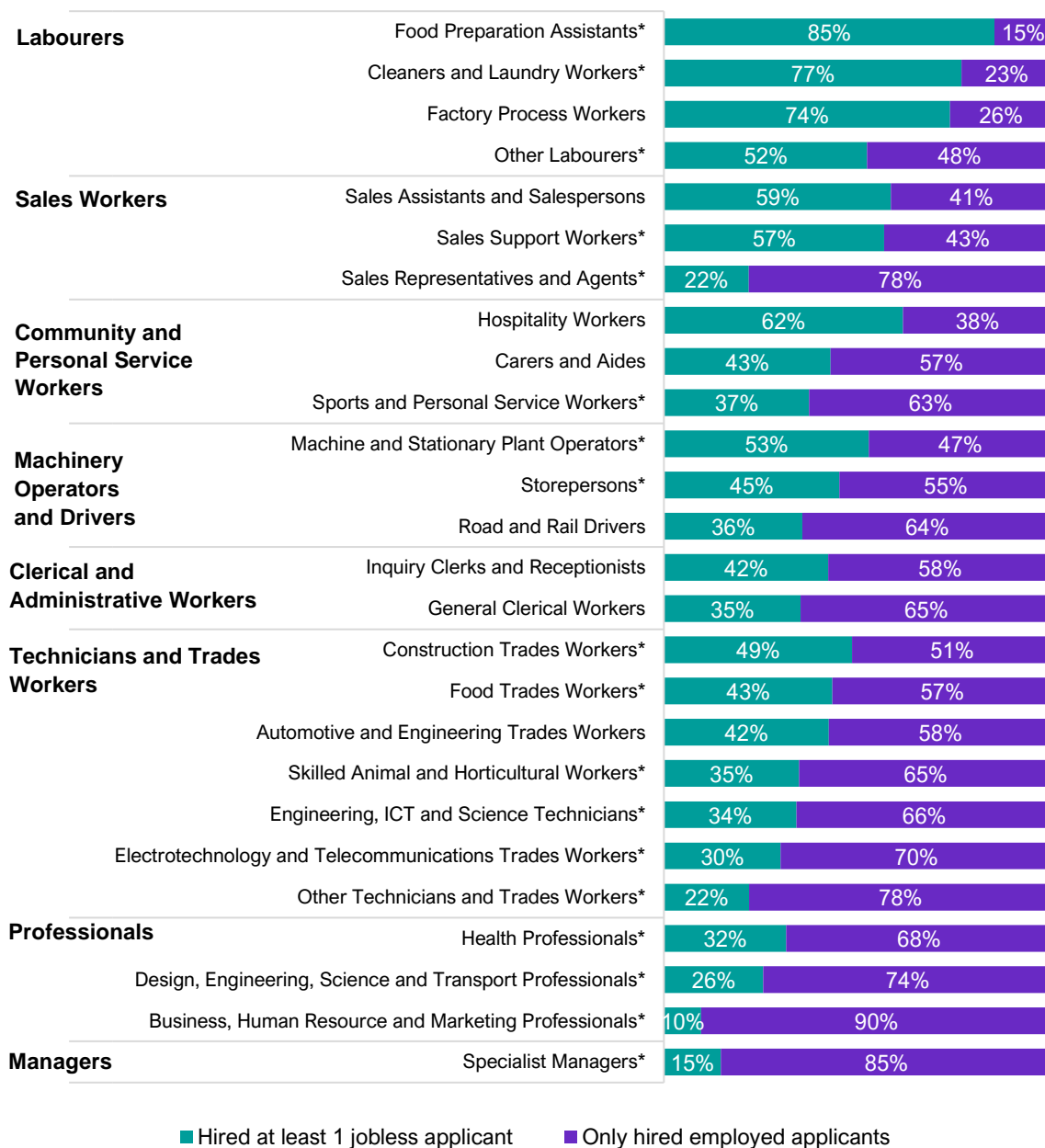

Note: *Managers are based on a small sample size (between 50 and 125 responses). Results should be interpreted with caution.

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

Employers were most likely to hire at least one jobless applicant when recruiting for Food Preparation Assistants (85%), Cleaners and Laundry Workers (77%) and Factory Process Workers (74%), all of which fall within the ABS ANZSCO classification of 'Labourers', (Figure 4). [4]

Figure 4: Employers who filled their vacancy/s, by whether employed or jobless candidate/s were hired, by selected 2-digit occupations (as a proportion of recruiting employers, 12 months to September 2023)

Occupation group	Occupation	Hired at least 1 jobless applicant	Only hired employed applicants
Labourers	Food Preparation Assistants*	85%	15%
	Cleaners and Laundry Workers*	77%	23%
	Factory Process Workers	74%	26%
	Other Labourers*	52%	48%
Sales Workers	Sales Assistants and Salespersons	59%	41%
	Sales Support Workers*	57%	43%
	Sales Representatives and Agents*	22%	78%
Community and Personal Service Workers	Hospitality Workers	62%	38%
	Carers and Aides	43%	57%
	Sports and Personal Service Workers*	37%	63%
Machinery Operators and Drivers	Machine and Stationary Plant Operators*	53%	47%
	Storepersons*	45%	55%
	Road and Rail Drivers	36%	64%
Clerical and Administrative Workers	Inquiry Clerks and Receptionists	42%	58%
	General Clerical Workers	35%	65%
Technicians and Trades Workers	Construction Trades Workers*	49%	51%
	Food Trades Workers*	43%	57%
	Automotive and Engineering Trades Workers	42%	58%
	Skilled Animal and Horticultural Workers*	35%	65%
	Engineering, ICT and Science Technicians*	34%	66%
	Electrotechnology and Telecommunications Trades Workers*	30%	70%
	Other Technicians and Trades Workers*	22%	78%
Professionals	Health Professionals*	32%	68%
	Design, Engineering, Science and Transport Professionals*	26%	74%
	Business, Human Resource and Marketing Professionals*	10%	90%
Managers	Specialist Managers*	15%	85%

■ Hired at least 1 jobless applicant   ■ Only hired employed applicants

Note: Only occupations at the ANZSCO 2 --digit level with a sufficient responding sample are shown in the table above.
* Denotes occupations based on smaller sample sizes (between 50 and 125 responses) and results should be interpreted with caution.
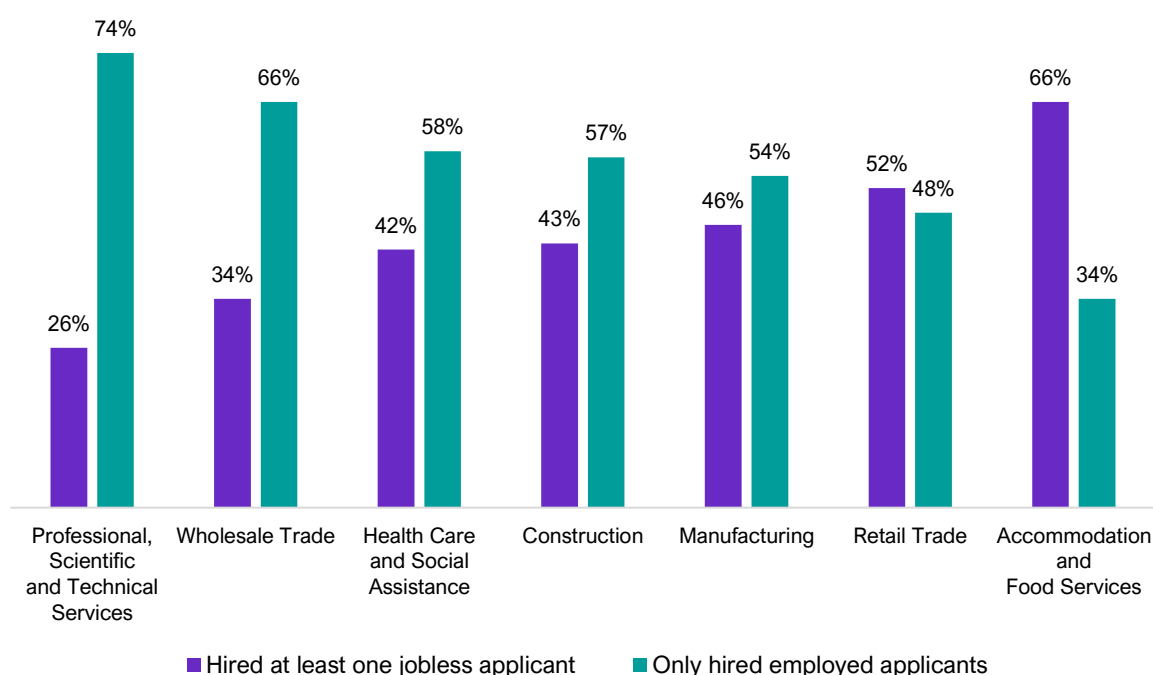Source: Jobs and Skills Australia, Recruitment Experiences and Outlook Survey, September 2023.

[4] The Australian Bureau of Statistics' Australian and New Zealand Standard Classification of Occupations (ANZSCO).

Results by industry

Employers were most likely to hire at least one jobless applicant in the Accommodation and Food Services (66%), Retail Trade (52%), and Manufacturing (46%) industries, (Figure 5). Employers recruiting for positions in the Professional, Scientific and Technical Services industry were the least likely to hire a jobless applicant (26%).

Figure 5: Employers who filled their vacancy/s, by whether employed or jobless candidate/s were hired, by industry (proportion of recruiting employers, 12 months to September 2023)

- ■ Hired at least one jobless applicant
- ■ Only hired employed applicants

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

Results by vacancy characteristic

Recruiting employers were much more likely to hire at least one jobless candidate for casual positions or part-time positions (Figure 6a and 6b).

Over half of all recruiting employers (56%) who filled part-time positions hired a jobless applicant. This was slightly higher (58%) if they were recruiting for multiple vacancies with a mix of full-time and part-time roles (Figure 6a). This compares with 34% of employers who filled full-time positions. Likewise, 64% of employers who filled casual positions hired at least one jobless applicant, compared with 32% of employers who filled non-casual positions, (Figure 6b).

The data suggest that casual and part-time positions provide the best opportunity for jobless applicants to get a foothold in the labour market.

Figure 6a and 6b: Employers who filled their vacancy/s, by whether hired candidate/s were employed or jobless, by employment type (proportion of recruiting employers, 12 months to September 2023)

**6a: Full-time or part-time status**
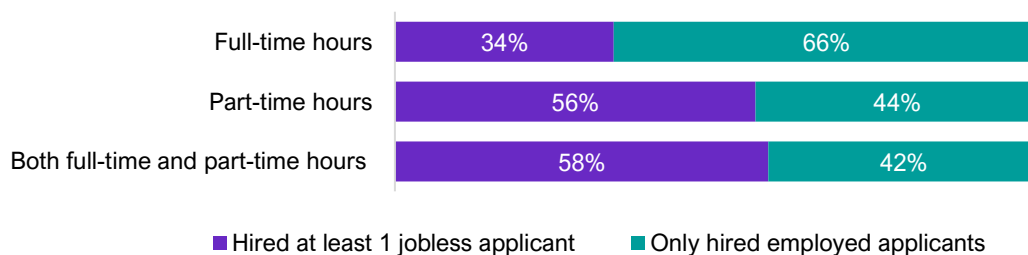
6b: Casual or non-casual status
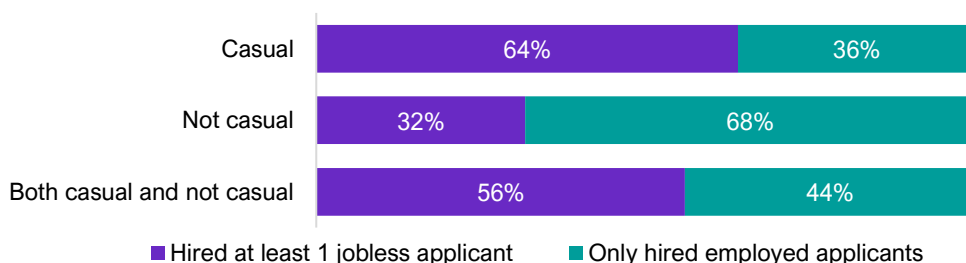
Note: Some employers recruited multiple candidates, with a mix of full-time and part-time positions, or a mix of non-casual positions.

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

Results by business size

The larger the business, the more likely they were to have hired at least one jobless applicant. Large businesses, with 100 or more employees, were most likely to hire at least one jobless applicant (56%). Small businesses, with 5 to 9 employees, were least likely to have hired at least one jobless applicant (40%), (Figure 7).

Figure 7: Employers who filled their vacancy/s, by whether hired candidate/s were employed or jobless, by business size, (proportion of recruiting employers, 12 months to September 2023)
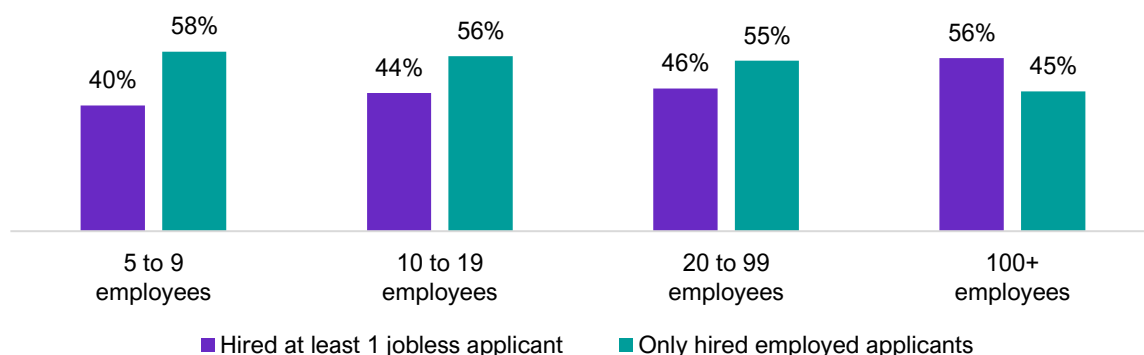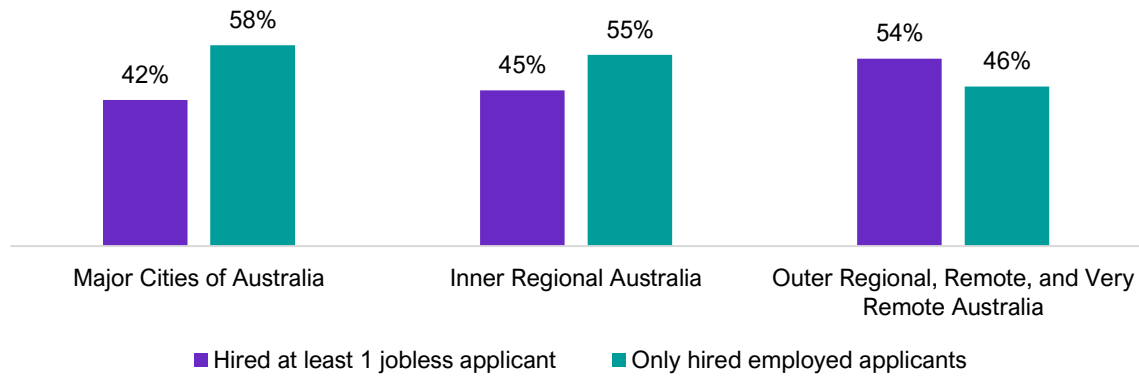

Note: The survey is targeted towards employers with five or more employees and excludes many government organisations.

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

Results by remoteness

The likelihood of an employer hiring jobless applicants tends to increase with remoteness. Recruiting employers were least likely to hire at least one jobless applicant (42%) in Major Cities (Figure 8), while 45% of employers within Inner Regional Australia hired at least one jobless applicant. Outer Regional, Remote and Very Remote Australia were the most likely to hire at least one jobless applicant (54%), (Figure 8).

Figure 8: Employers who filled their vacancy/s, by whether hired candidate/s were employed or jobless, by ARIA region (proportion of recruiting employers, 12 months to September 2023)

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

Background

The Recruitment Experiences and Outlook Survey (REOS) is an ongoing survey of employers across Australia. Approximately 1,000 employers are surveyed each month, with data published on the Jobs and Skills Australia website. While the data are indicative of recruitment activity, they may be subject to seasonal factors and other volatility and should therefore be used with caution. The survey is targeted towards employers with five or more employees and excludes many government organisations. Further information is available in the REOS methodology paper.

Data from the REOS are published monthly in the *Recruitment Insights Report* which is generally published on the 3rd Tuesday of the month. Spotlights are also produced in most months, generally released in the first week of the month.

Recent Spotlight topics include:

- *REOS September quarter 2023 report* (published November 2023): more detailed REOS data disaggregated by state, area, industry, and occupation are released in this quarterly report.

- *Employers' greatest concerns for the future* (published October 2023): based on REOS data collected from September quarter 2021 to June quarter 2023 on employers' responses to a question in the REOS survey about their "single greatest concern in the next 3 months?".

Earlier topics include employers unrealized vacancies, recruitment pattern for entry level workers and trends in recruitment difficulty.

Technical notes

The REOS is a telephone administered survey with the business owner or other person in the business responsible for recruitment. All figures presented in this report have been weighted by location and workplace size, according to the Australian Bureau of Statistics Counts of Australian Businesses, including Entries and Exits (June 2018 to June 2022) publication. The weighted figures are intended to create nationally representative results by correcting for the oversampling of smaller regions compared with larger regions.

Data collected in the survey have been coded and reported according to the following ABS classifications:
- Industry is defined by the Australian and New Zealand Standard Industrial Classification (ANZSIC), 2006, Version 2.0.

- Occupation is defined by the Australian and New Zealand Standard Classification of Occupations (ANZSCO), 2013, Version 1.3.

- Capital City and Rest of State areas are defined by the Australian Statistical Geography Standard (ASGS): Volume 1 - Main Structure and Greater Capital City Statistical Areas, July 2016.

Data in this release should be referenced as: *Jobs and Skills Australia, REOS Spotlight, Employers who hired a jobless applicant,* December 2023.

For more information, email: reos@jobsandskills.gov.au