



REOS Recruitment Insights Report 2023 December

Jobs and Skills Australia surveys at least 1,000 employers each month in the Recruitment Experiences and Outlook Survey (REOS) to find out about their experiences recruiting staff, and whether they are expecting to increase staffing levels.

Key Findings

The recruitment rate declined in December 2023 which may reflect businesses having completed their seasonal recruitment in the months prior. Recruitment activity eased in both capital cities and regional Australia. There was also a small decline in the share of employers expecting to increase their staffing levels in the future. The proportion of employers experiencing recruitment difficulty also eased over the month.

In *smoothed* terms, recruitment activity edged upward slightly in recent months but remains well below peak levels recorded in mid-2022 while recruitment difficulty has been declining for six consecutive months. The latest REOS findings are consistent with other labour market indicators showing a softening in the Australian labour market while underlying conditions remain reasonably tight.¹

Recruitment activity

In December 2023, 47% of employers recruited. This was 5 percentage points lower than last month and 5 percentage points lower than in December 2022.

- In Capital Cities, 44% of employers recruited in December 2023, 4 percentage points lower than the previous month and 9 percentage points lower than the year before.
- The recruitment rate was 53% in Rest of State areas, 5 percentage points lower than the previous month but 3 percentage points higher than the year before.

Recruitment difficulty

The recruitment difficulty rate fell by 5 percentage points over the month, to 51% of recruiting employers. It remains well below the result from December 2022 (by 14 percentage points) and 24 percentage points below the peak of 75% in July 2022.

- In Capital Cities, 48% of recruiting employers experienced recruitment difficulty, 6 percentage points lower than the previous month and 15 percentage points lower than the year before.

¹ ABS *Labour Force Survey*, December 2023, seasonally adjusted data.

- Recruitment difficulty in Rest of State areas fell by 2 percentage points over the month to 56%, 12 percentage points lower than in December 2022.

In December 2023, 54% of smaller businesses (with 5 to 19 employees) had recruitment difficulty compared with 44% for larger businesses (with 20 or more employees).

- Recruitment difficulty for smaller businesses had declined by 11 percentage points since December 2022 compared with a fall of 20 percentage points for larger businesses.

Employers recruiting for Skill level 1–3 positions were more likely to have recruitment difficulty (59%) in December 2023, compared with 40% for those hiring for Skill level 4–5 positions.

Staffing outlook: employers expecting to increase staff

The proportion of employers expecting to increase their staffing levels in the next three months decreased by 1 percentage point to 20% in December 2023.

- Only 5% of employers were expecting their staffing levels to decrease, 2 percentage points higher than last month.

Staffing changes over the last month

In December 2023, 13% of employers increased their staffing levels over the past month, up by 1 percentage point. Over the same period, 9% of employers decreased their staffing levels, also 1 percentage point higher than last month.

- In Capital Cities, 11% of employers increased their staffing levels in December 2023, up by 1 percentage point.
- 16% of employers in Rest of State areas increased staffing over the month, 1 percentage point higher than last month.

Reason for recruiting

Most employers recruited due to staff turnover only (56%) in December 2023, while 34% recruited to fill new positions only. Some 10% of employers were recruiting to fill positions due to both staff turnover as well as new positions.

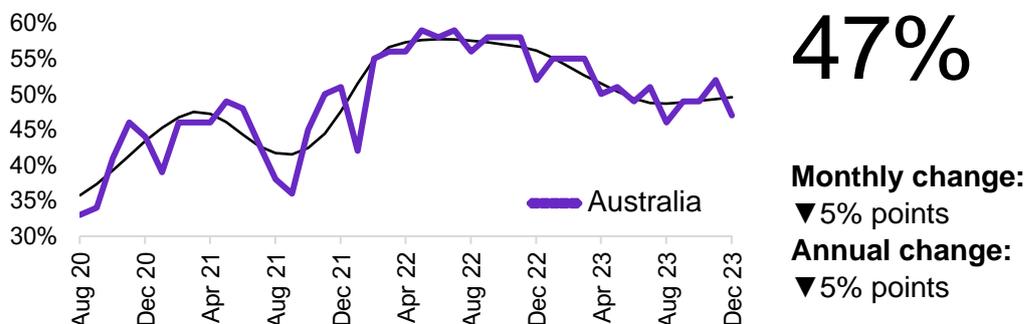
Employers unable to fill vacancies in a month

The proportion of recruiting employers who were unable to fill their vacancies within a month was 43% in December 2023. This was 5 percentage points lower than a month ago, and 19 percentage points lower than December 2022.

REOS national indicators²

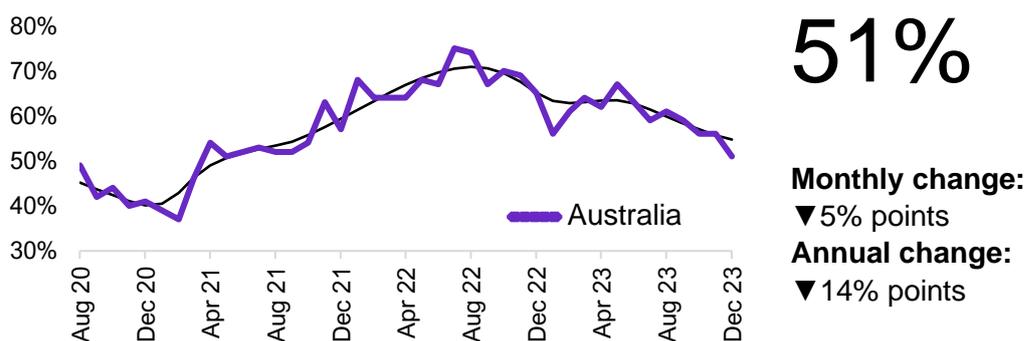
Recruitment rate

Proportion of employers currently recruiting or who recruited in the previous month



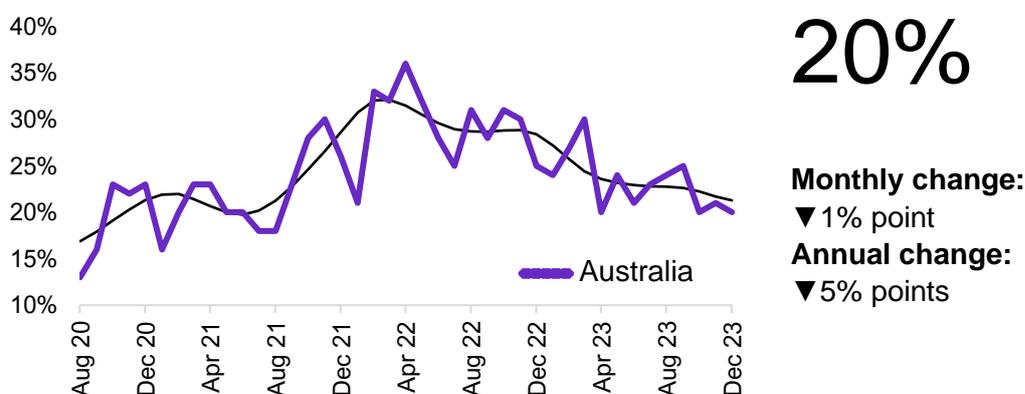
Recruitment difficulty rate

Proportion of recruiting employers who stated they had difficulty hiring staff



Staffing outlook – Expecting to increase staff

Proportion of employers who expected to increase staff in the next three months

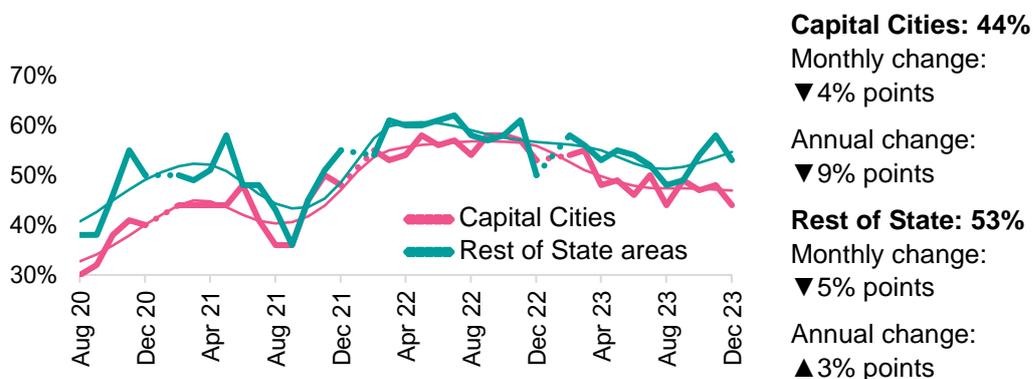


² A Henderson smoothed line has been included in the charts to reduce month to month volatility and illustrate long term patterns. See the explanatory note for more information.

Capital City/Rest of State areas³

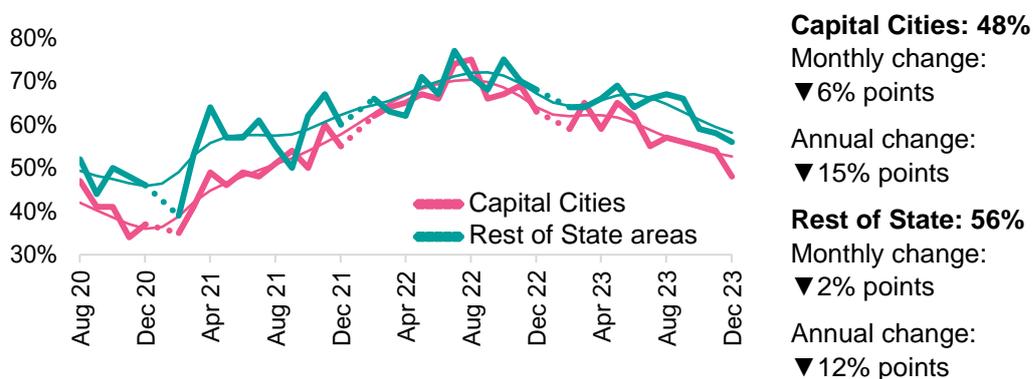
Recruitment rate

Proportion of employers currently recruiting or who recruited in the previous month.



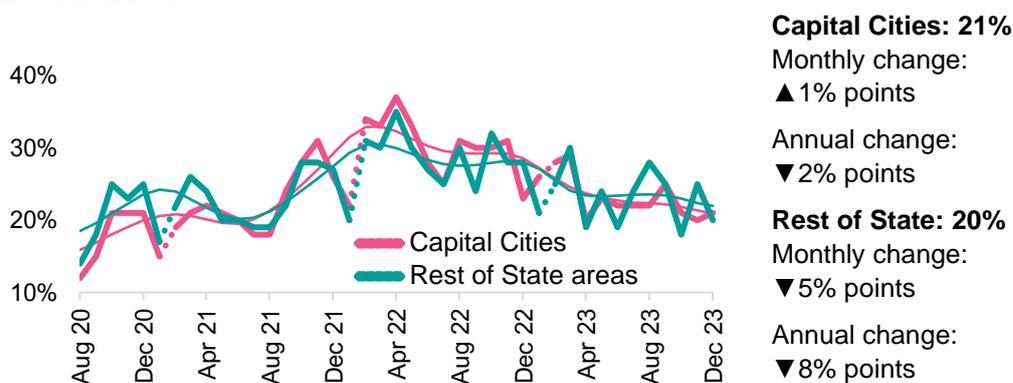
Recruitment difficulty rate

Proportion of recruiting employers who stated they had difficulty hiring staff.



Staffing outlook – Expecting to increase staff

Proportion of employers who expected to increase staffing numbers over the next three months.

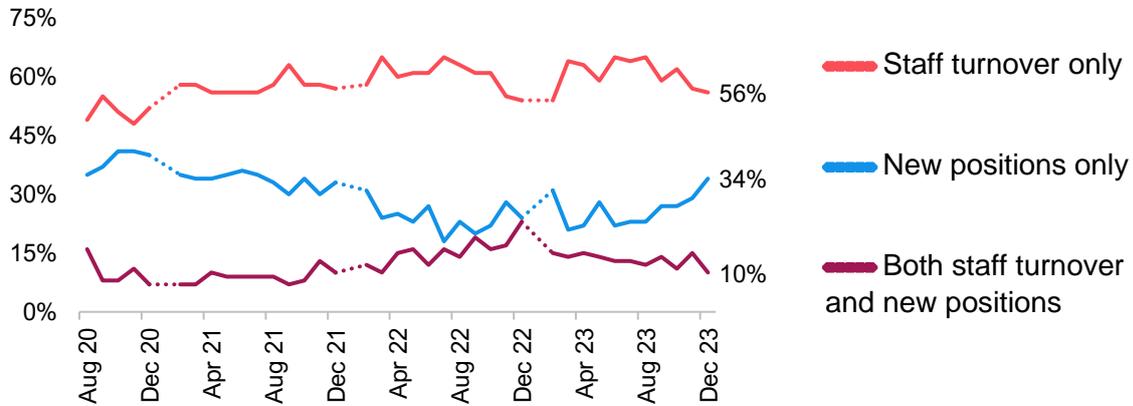


³ Data are not available for January. Data points have been joined by a dotted line between December and February to reflect this. 'Rest of State' refers to areas outside the capital cities.

Other recruitment indicators

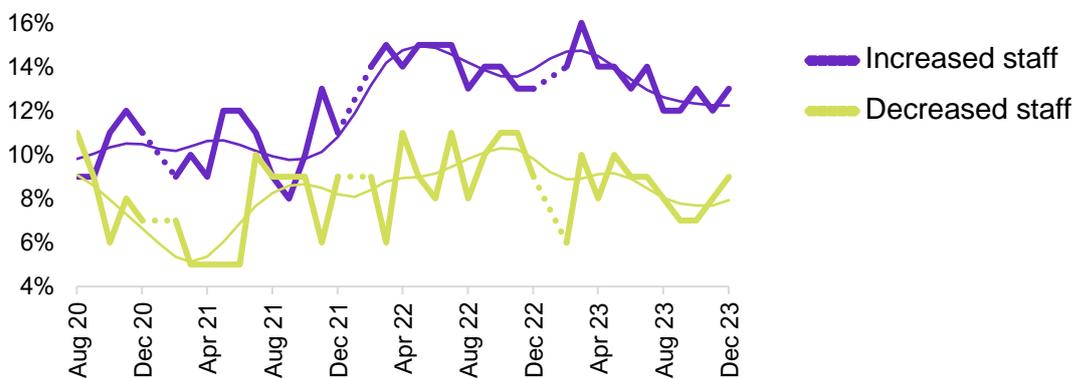
Reason for recruiting

Proportion of employers currently recruiting or who recruited in the previous month



Staffing changes over the last month

Proportion of employers who said they increased or decreased staffing compared to the previous month



Employers unable to fill jobs within a month

Proportion of recruiting employers who were unable to fill their vacancies within a month*



* Excludes employers who have been recruiting for less than a month.

Recruitment Experiences and Outlook Survey (REOS)

Background

Jobs and Skills Australia (JSA) conducts the Recruitment Experiences and Outlook Survey (REOS), a telephone administered survey with the business owner or other person in the business responsible for recruitment. At least 1,000 employers are surveyed each month, with data published on the [JSA 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 a degree of caution. In addition, the survey is targeted towards employers with 5 or more employees and excludes many government organisations.

Smoothed series in charts

Charts include Henderson-smoothed lines in addition to original data for most of our recruitment indicators. As the timeseries is not yet long enough for seasonal adjustment, a Henderson smoothed moving average with a 13-term filter (equating to 13 months) has been directly applied to the original series. This provides an indication of the general movement in each recruitment indicator relative to previous months. Using 13 months in the moving average means results for the most recent six months will be revised when another month is added to the series.

Referencing this report

Data in this release should be referenced as: *Jobs and Skills Australia, Recruitment Insights Report, December 2023*.

Contact us

For additional information, email REOS@jobsandskills.gov.au

Also available from the REOS

Data file with monthly and quarterly recruitment indicators

A REOS data file is available on the [JSA website](#). Breakdowns by Capital City/Rest of State area, Business size, and ANZSCO Skill Level are included in the monthly results. Quarterly recruitment indicators provide detail by state, ARIA (ABS' Accessibility and Remoteness Index of Australia) as well as selected industry and occupation groups.

Next REOS release:

- January 2024 Recruitment Insights Report and data file - 20 February 2024

Stay up to date

JSA also releases semi-regular reports including spotlight articles, detailing aspects of the REOS that cannot be included in our monthly Recruitment Insights Report. [Sign up](#) and get the Recruitment Insights Report notifications sent straight to your inbox.

Upcoming spotlight:

- December quarter 2023 REOS results - 5 February 2024

Recent spotlights:

- Employers who hired a jobless applicant
- Employers' Greatest Future Concern for the next three months