



Recruitment Insights Report – November 2022

November 2022
Recruitment activity¹

58%

Monthly change: 0% pts.
Yearly change: ▲8% pts.

November 2022
Recruitment difficulty rate

69%

Monthly change: ▼1% pt.
Yearly change: ▲6% pts.

November 2022
Expect to increase staff

30%

Monthly change: ▼1% pt.
Yearly change: 0% pts.

Key findings from the Recruitment Experiences and Outlook Survey (REOS)

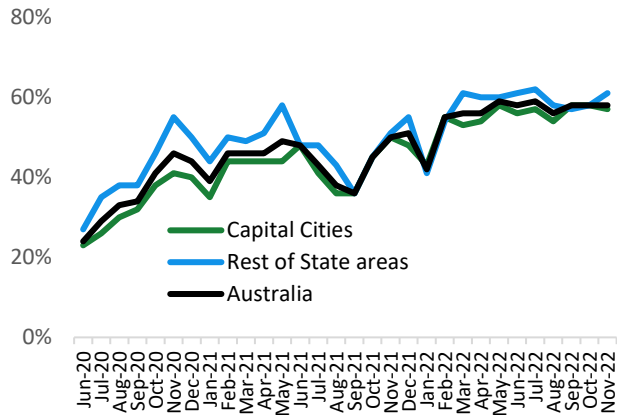
- REOS indicators have remained steady at almost historically high levels over the month, indicating that labour market conditions remain tight. The level of recruitment activity is unchanged from last month, while recruitment difficulty and expectations to increase staff are just 1 percentage point below last month's figures.
- 58% of employers reported recruitment activity this month, the same result as the previous two months. This figure is 8 percentage points higher than in November 2021.
 - In Capital Cities the recruitment rate eased by 1 percentage point to 57% of employers. In Rest of State areas, the recruitment rate increased by 3 percentage points to 61% of employers.
 - The recruitment rate for businesses with 20 employees or more reached an equal record high of 86% of employers this month, a 9-percentage point jump from October 2022. The recruitment rate for businesses with 5 to 19 employees eased by 2 percentage points to 52%.
- 13% of employers increased staffing levels over the past month, 1 percentage point lower than in October 2022. The proportion of employers who decreased staff over the past month was 11%, the same proportion as last month.
- The recruitment difficulty rate fell slightly, by 1 percentage point, to 69% of recruiting employers (representing 40% of all employers). It remains well above the result from a year ago (by 6 percentage points) but is also 6 percentage points below the peak recorded in July 2022.
 - The recruitment difficulty rate eased by 5 percentage points to 70% of recruiting employers in Rest of State areas, while in Capital Cities it increased by 2 percentage points to 69%.
 - 79% of employers who recruited for Higher Skilled (ANZSCO Skill Levels 1-3) vacancies had recruitment difficulty. This was an increase of 7 percentage points since October 2022, and 1 percentage point lower than the record high rate recorded in July 2022.
- Employers' expectations to increase staffing levels over the next three months eased by 1 percentage point to 30%. Some 5% of employers were expecting to decrease staffing levels over the next three months, an increase of 3 percentage points since October 2022, and the highest result since August 2021
- This month's Spotlight provides an update on the types of positions for which employers most often hired a jobless applicant.

¹ Note: Recruitment activity (also referred to as the 'recruitment rate') refers to the proportion of all employers who are either currently recruiting or who had recruited in the previous month. The recruitment difficulty rate is the proportion of recruiting employers who experienced difficulty hiring staff in their most recent recruitment round. The 'expect to increase staff' figure is the proportion of all employers who expect to increase staff numbers over the next three months.

Recruitment indicators – key charts

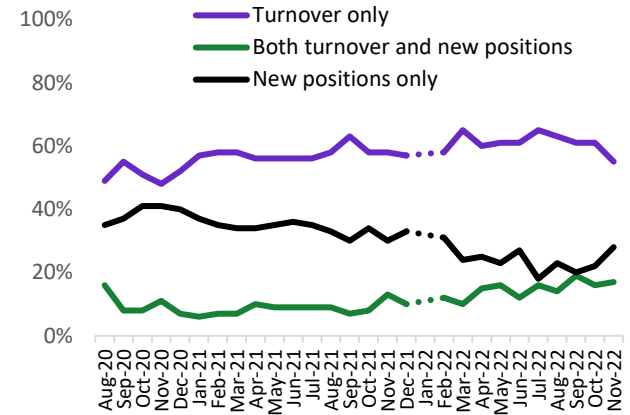
Recruitment activity

Proportion of employers



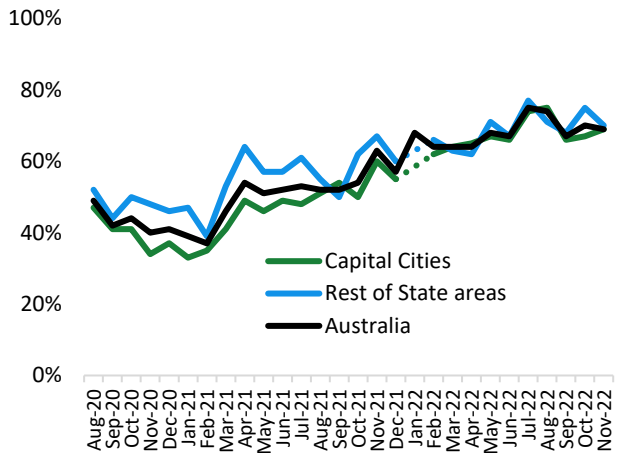
Reasons for recruitment

Proportion of recruiting employers



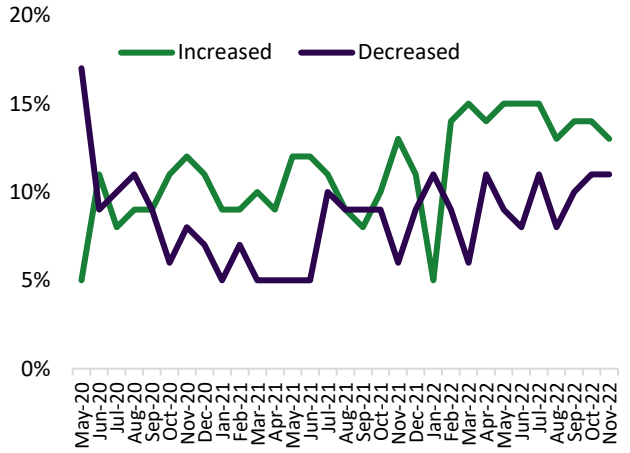
Recruitment difficulty

Proportion of recruiting employers



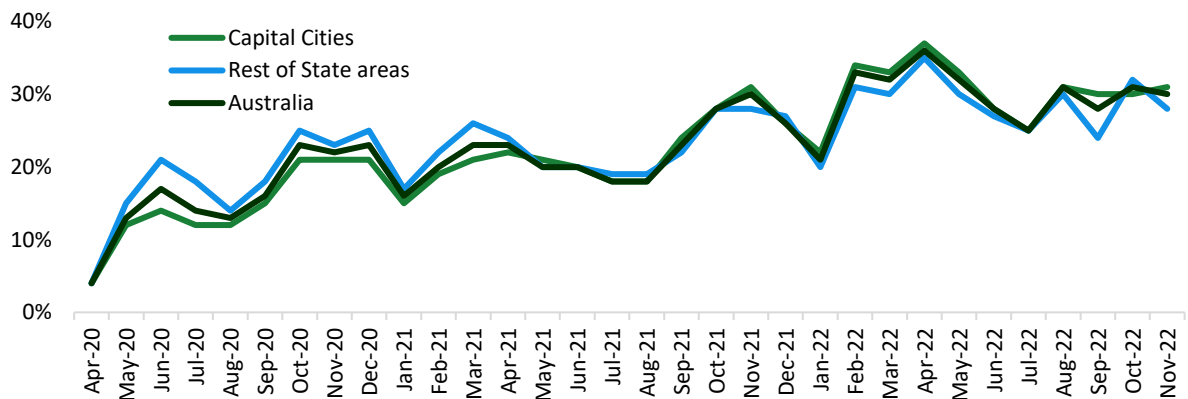
Increased / decreased staff over the past month

Proportion of employers



Employers who expect to increase staff numbers over the next 3 months

Proportion of employers



Note: Some disaggregated data was not publishable in January 2022; hence in some of the above charts data points from December 2021 to February 2022 have been joined by a dotted line.

Spotlight: Employers who hired a jobless applicant

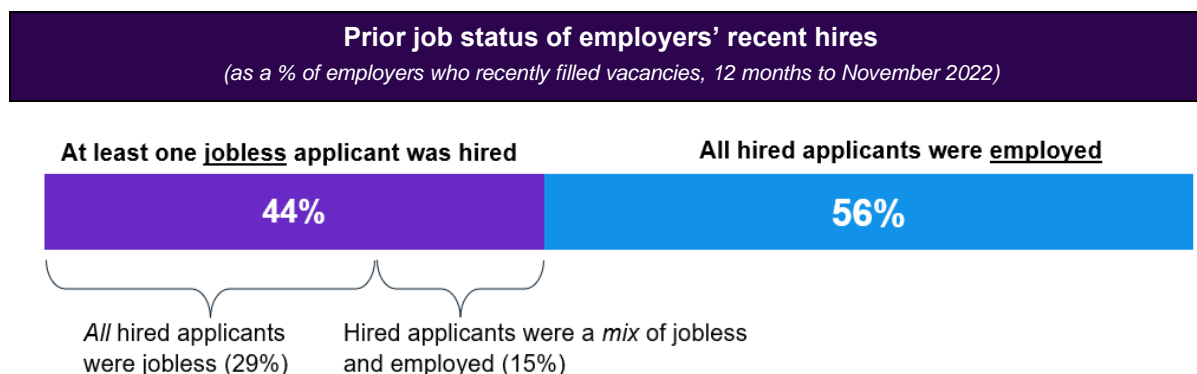
Earlier this year preliminary results were presented on the types of jobs for which employers hire jobless applicants (featured in the March 2022 Recruitment Insights Report). This month's Spotlight provides an update on this topic using data collected over the 12 months to November 2022.

Key points

- Of employers who recently filled vacancies, 44% hired at least one jobless applicant in their most recent recruitment round. For the remaining employers (56%), all their recently hired applicants were already employed.
 - For 29% of employers who recently filled vacancies, all new hires were jobless, while 15% hired a mix of jobless and employed applicants.
- Employers were far more likely to hire jobless applicants for lower skilled positions than for higher skilled positions.
 - Additionally, casual and part-time positions were much more likely to be filled with jobless applicants than non-casual full-time positions. This was true for both higher skilled and lower skilled positions.
- Employers were most likely to hire jobless applicants in the Accommodation and Food Services or Retail Trade industries, or when recruiting for Labourers or Sales Workers.
 - Cleaners and Laundry Workers (73%), Hospitality Workers (67%) and Factory Process Workers (67%) were the specific occupation groups² for which jobless applicants were most likely to be hired.
- Employers who hired jobless applicants had some different recruitment practices to those who hired employed applicants. This trend was prominent for particular occupation groups:
 - When recruiting for Sales Workers, employers who hired jobless applicants were more likely to put a sign in their shop window and consider job seekers who approached the business.
 - When recruiting for Machinery Operators and Drivers, employers who hired jobless applicants were far more likely to use recruitment or employment agencies.

Overall results³

Of the employers who recently filled vacancies, 44% hired at least one jobless applicant in their most recent recruitment round. All the new hires were jobless for 29% of employers, while 15% of employers hired a mixture of jobless and employed applicants. For the remaining employers (56%), all their recently hired applicants were employed.

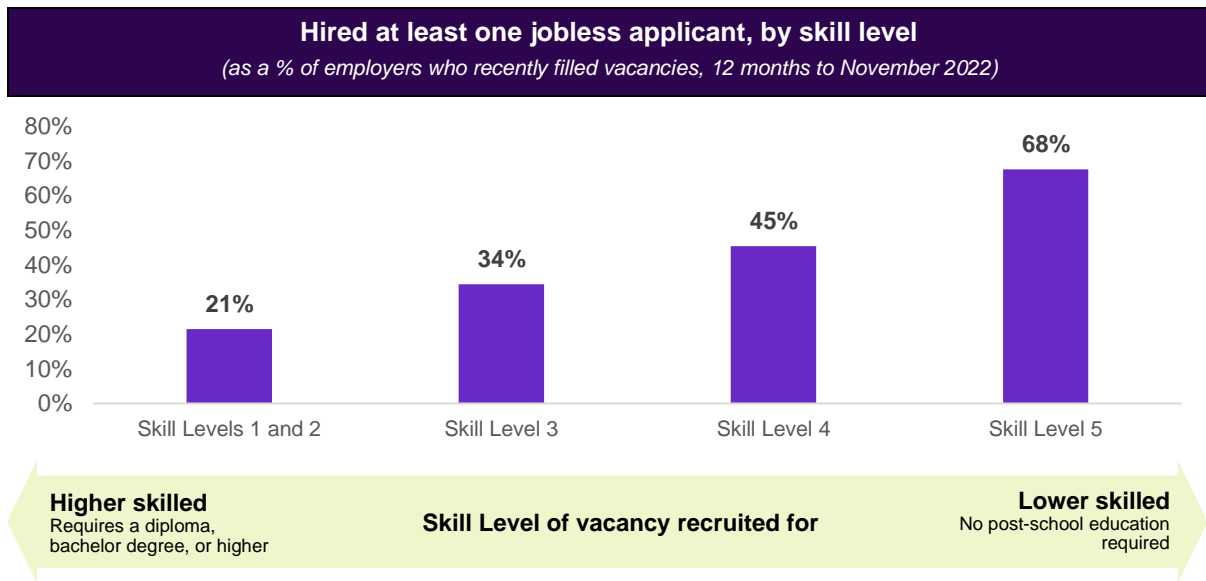


² Occupations here are classified according to ANZSCO sub-major (2-digit) groups.

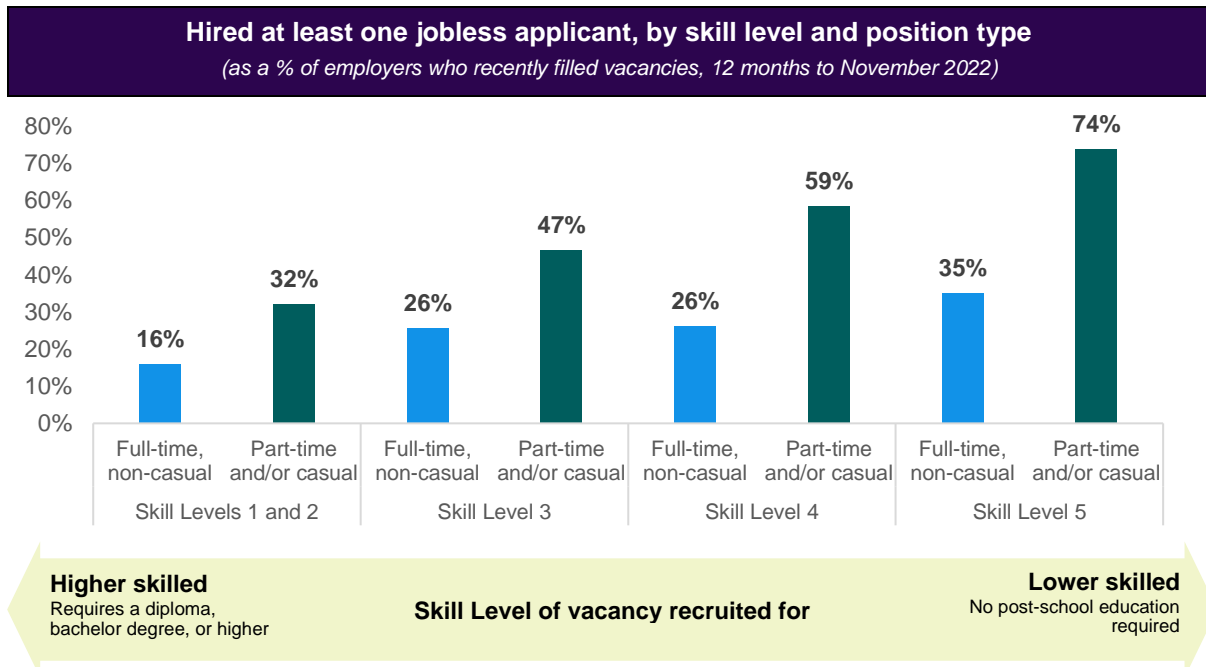
³ Note: As with most other REOS indicators, the proportions presented in this Spotlight exclude 'unsure' responses. However, this question received a notably high proportion of 'unsure' responses (18% of employers who were asked the question were 'unsure'). These results should therefore be treated with a degree of caution.

By skill level and type of position

The skill level of the position had a strong influence on whether a jobless applicant was hired. Only 21% of employers who recently filled Skill Level 1 and 2 positions⁴ hired a jobless applicant, while for Skill Level 5 positions, more than two thirds (68%) hired a jobless applicant.



The chart below shows that for each skill level, employers recruiting for part-time and/or casual positions were far more likely to hire a jobless applicant than those recruiting for full-time non-casual positions. To some extent, this can be explained by the type of occupation recruited for. For example, vacancies for Cleaners and Laundry Workers, which are often filled with jobless applicants, are nearly all part-time and/or casual.



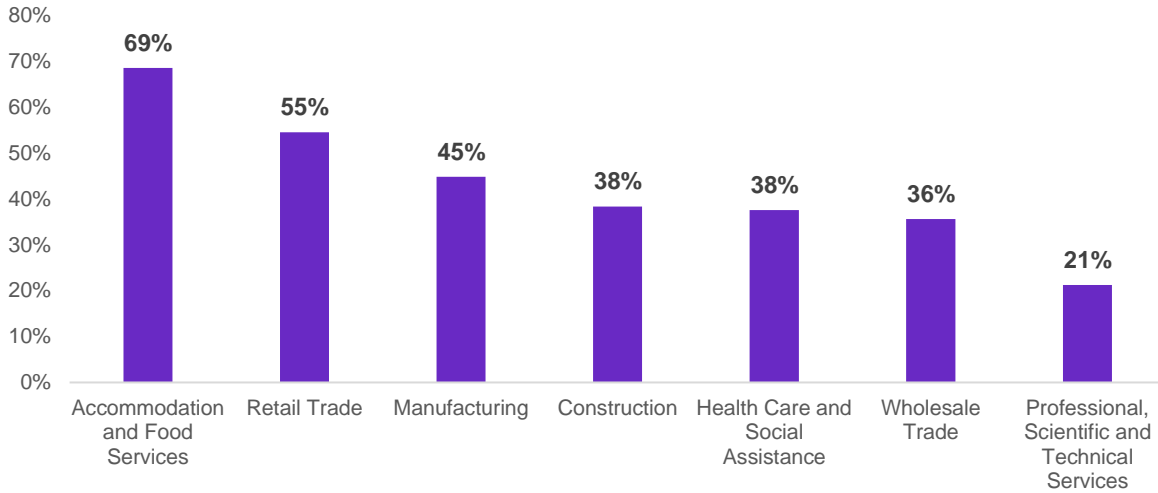
⁴ Occupation Skill Levels are as defined by the Australian and New Zealand Standard Classification of Occupations (ANZSCO). Skill Level 1 and 2 occupations generally require a diploma, advanced diploma, bachelor degree or higher education. Skill Level 3 occupations generally require a Certificate III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

Results by Industry and occupation

Employers were most likely to hire jobless applicants in the Accommodation and Food Services (69%), Retail Trade (55%), and Manufacturing (45%) industries. Employers recruiting for positions in Professional, Scientific and Technical Services (21%) were unlikely to have hired jobless applicants.

Hired at least one jobless applicant, by selected industries

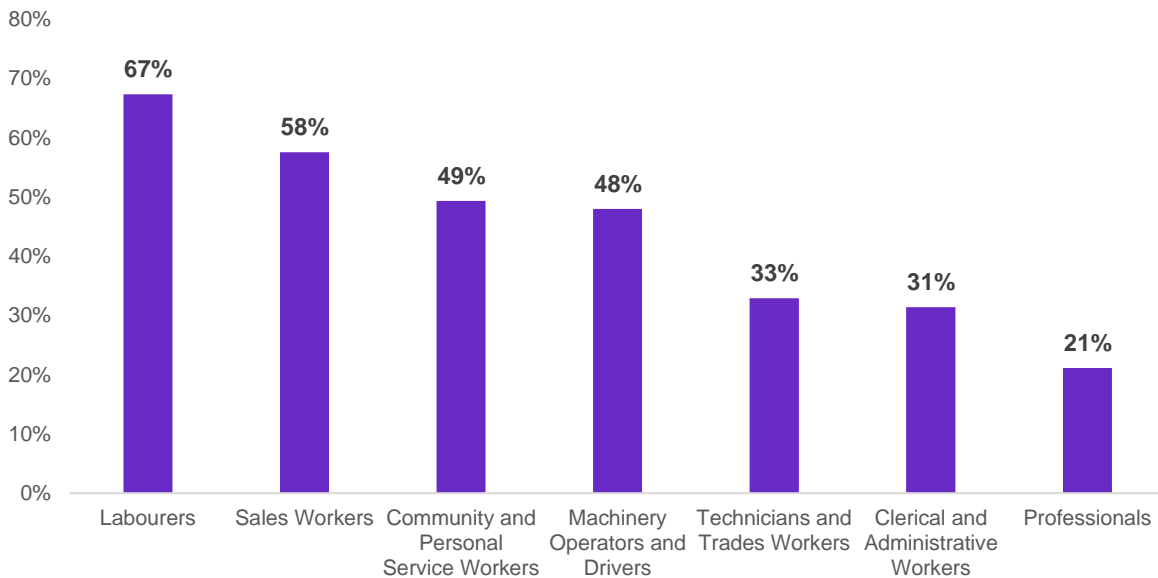
(as a % of employers who recently filled vacancies, 12 months to November 2022)



Employers who recruited Labourers were most likely to have hired at least one jobless applicant (67%), followed by those who hired Sales Workers (58%), Community and Personal Service Workers (49%), and Machinery Operators and Drivers (48%). Professionals (21%) and Clerical and Administrative Workers (31%) were the two occupation groups for which employers were least likely to have hired a jobless applicant in their most recent recruitment round.

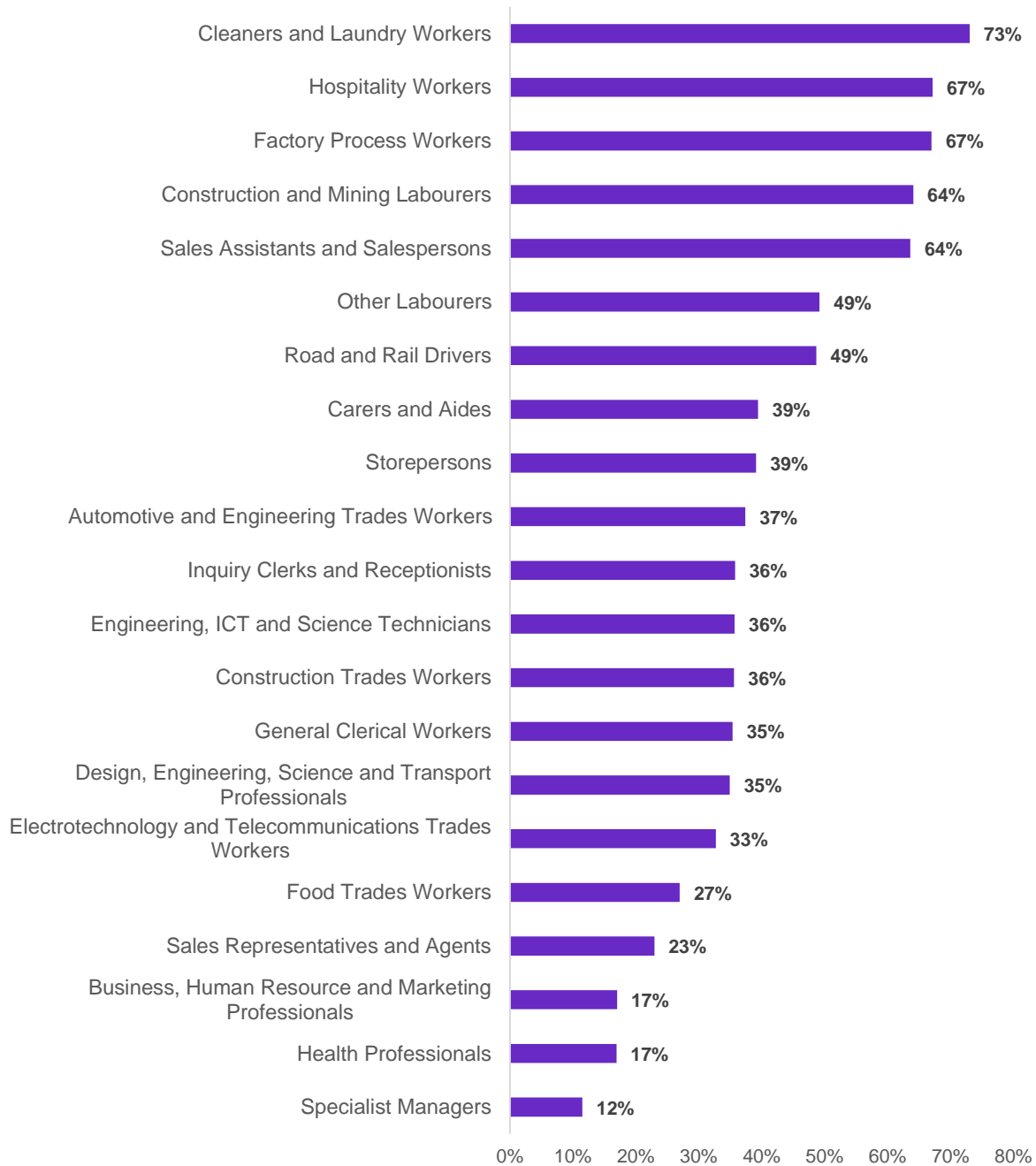
Hired at least one jobless applicant, by occupation group

(as a % of employers who recently filled vacancies, 12 months to November 2022)



Looking at specific occupation groups⁵ (for which REOS collected sufficient data), employers were most likely to hire jobless applicants when recruiting for Cleaners and Laundry Workers (73%), Hospitality Workers (67%), Factory Process Workers (67%), Construction and Mining Labourers (64%), and Sales Assistants and Salespersons (64%).

Hired at least one jobless applicant, by selected occupation groups*
(as a % of employers who recently filled vacancies, 12 months to November 2022)



**Note: Occupations in this chart have been selected based on sample size. Even so, the sample sizes are relatively small and therefore these results should be considered with caution.*

⁵ Occupations here are classified according to ANZSCO sub-major (2-digit) groups.

Recruitment methods of employers who hired jobless applicants

The following analysis looks at how recruitment methods differ between employers who hired jobless applicants and those who didn't, focusing on the four occupation groups for which employers most commonly hire jobless applicants.

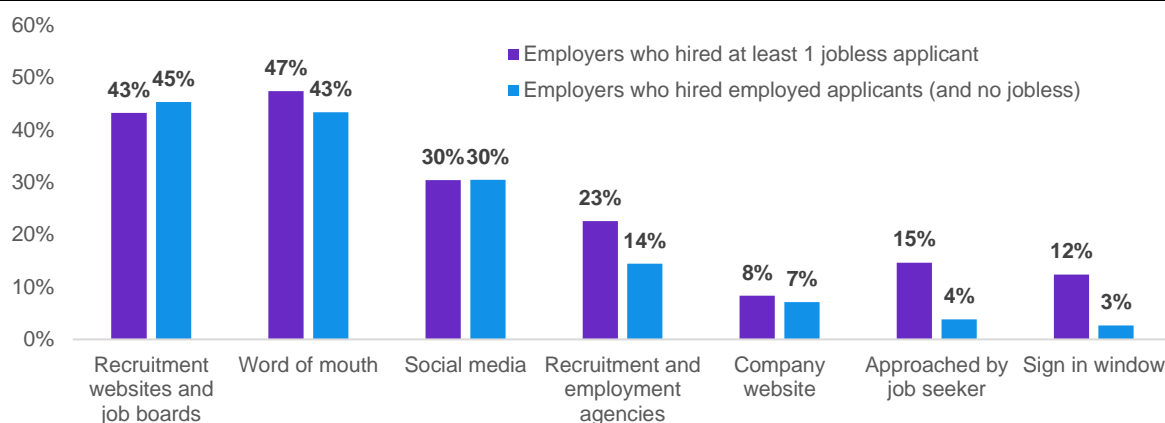
Labourers

Employers who hired jobless applicants for Labourer vacancies most commonly used word of mouth (47%), recruitment websites and job boards (43%), and social media (30%). These methods were used at broadly similar rates to those of employers for whom all hired applicants were employed.

Other methods used by employers who hired jobless applicants for Labourer vacancies included recruitment and employment agencies (23%), recruiting job seekers who approached the business (15%), and placing a sign in the window (12%) – with all three of these methods more common when jobless applicants were hired compared with employed applicants.

Recruitment methods for Labourers – by type of applicant hired

(as a % of employers who recently filled vacancies, 12 months to November 2022)

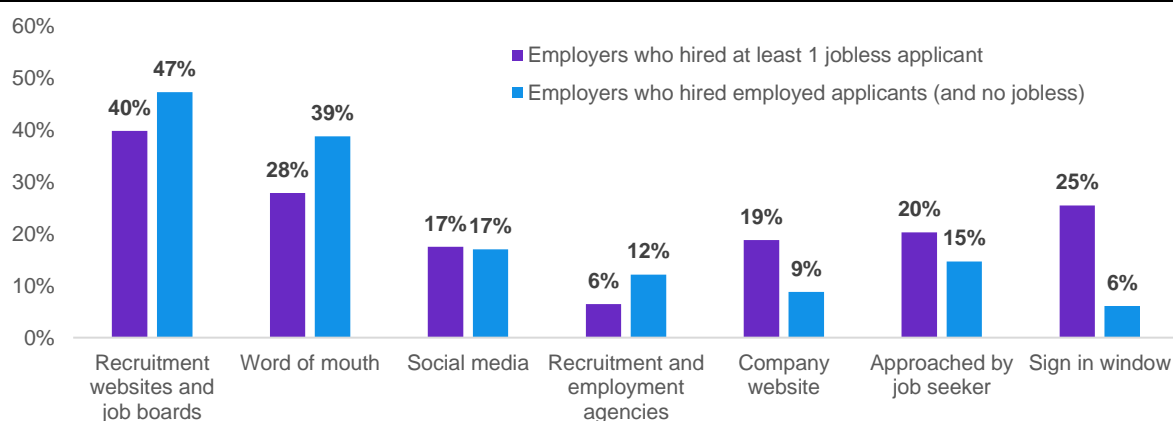


Sales Workers

When recruiting for Sales Workers, employers who hired jobless applicants were more likely to place a sign in the shop window (25%) compared with those who recruited employed applicants (6%). They were also more likely to consider the job seekers who approached them (20% versus 15%), and to advertise on their company website (19% versus 9%).

Recruitment methods for Sales Workers – by type of applicant hired

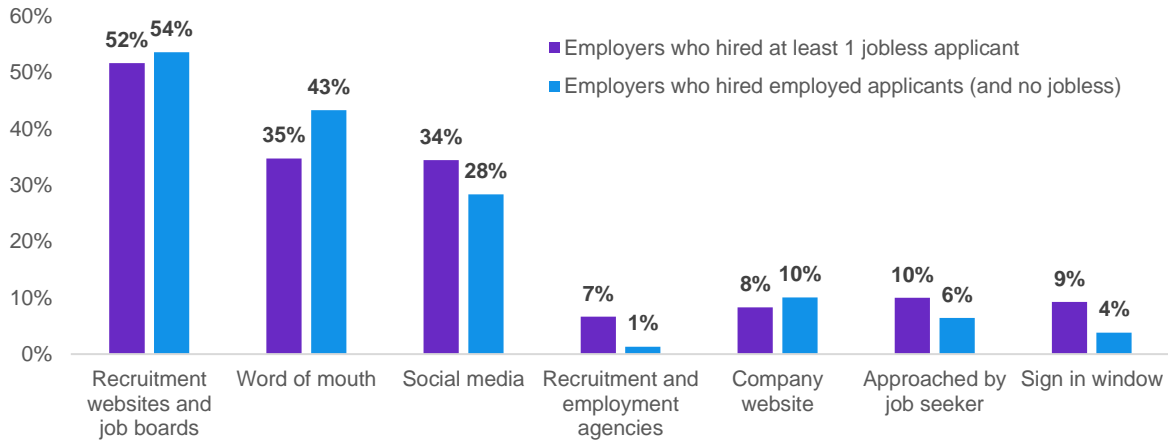
(as a % of employers who recently filled vacancies, 12 months to November 2022)



Community and Personal Service Workers

Recruitment methods for hiring Community and Personal Service Workers were similar regardless of whether jobless applicants or employed applicants were hired, although there was greater use of social media for those who hired jobless applicants (34%) compared with those who hired employed applicants and no jobless applicants (28%).

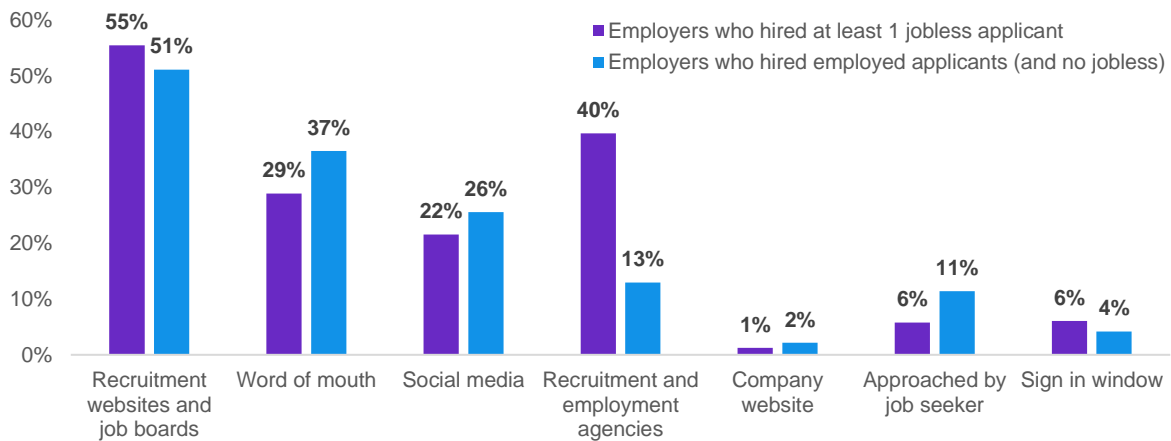
Recruitment methods for Community and Personal Service Workers – by type of applicant hired
(as a % of employers who recently filled vacancies, 12 months to November 2022)



Machinery Operators and Drivers

When recruiting for Machinery Operators and Drivers, 40% of employers who hired jobless applicants used recruitment and employment agencies. This was a much larger proportion compared with the result for employers who hired employed applicants and no jobless applicants (13%).

Recruitment methods for Machinery Operators and Drivers – by type of applicant hired
(as a % of employers who recently filled vacancies, 12 months to November 2022)



Background

Information in the monthly Recruitment Insight Reports is based on the *Recruitment Experiences and Outlook Survey* (REOS), which is an ongoing survey of employers across Australia. Approximately 1200 employers are surveyed each month, with data published on the Jobs and Skills Australia website (www.jobsandskills.gov.au). 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. In addition, the survey is targeted towards employers with 5 or more employees, and excludes many government organisations.

REOS results may not reflect the full impact that outbreaks of COVID-19 and associated restrictions have had on employers and their recruitment experiences since the survey is unable to gather data from employers who have closed down (even temporarily) and response rates can vary significantly by industry in areas under lockdown restrictions.

Please note that data collection pauses over the Christmas and New Year period (late December to early January). These breaks are noted in the data file which accompanies this report.

Data in this release should be referenced as: Jobs and Skills Australia, Recruitment Insights Report, November 2022.

For additional information email RecruitmentAnalysis@jobsandskills.gov.au.