



REOS Recruitment Insights Report – March 2024

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

Key Findings

The recruitment rate remained stable in March 2024, with a slight decrease in recruitment activity in capital cities offset by a slight increase in rest of state areas. The proportion of employers experiencing recruitment difficulty decreased for the second straight month in a row, largely driven by falls in Australia's capital cities. In March 2024 there was a decrease in the share of employers expecting to increase their staffing levels in the future, with decreases observed across capital cities and rest of state areas, and in both small and large businesses. Noting that monthly survey movements can exhibit some variability, this is the first decline in the 'expect to increase staff' variable in 2024, indicating that businesses may be feeling less confident about their future hiring intentions.

In *smoothed* terms, recruitment activity remained steady and is well below peak levels recorded in mid-2022. Recruitment difficulty has eased over the last 10 consecutive months, reflecting improved labour supply as evidenced by a historically high labour force participation rate. The latest REOS findings are consistent with other labour market indicators indicating a softening in the Australian labour market while underlying conditions remain reasonably tight.¹

Recruitment activity

In March 2024, 49% of surveyed employers recruited, the same proportion as last month, and 6 percentage points lower than in March 2023.

- In Capital Cities, 46% of employers recruited in March 2024, 1 percentage point lower than February 2024.
- The recruitment rate was 53% in Rest of State areas, 1 percentage point higher than February 2024.

Recruitment difficulty

The recruitment difficulty rate decreased by 4 percentage points over the month, to 50% of recruiting employers. The trend over most of 2023 and into early 2024 has been a reduction

¹ ABS *Labour Force Survey*, January 2024, seasonally adjusted data.

in the recruitment difficulty rate, which currently sits 25 percentage points below the peak of 75% in July 2022.

- In Capital Cities, 46% of recruiting employers experienced recruitment difficulty, 6 percentage points lower than the previous month.
- Recruitment difficulty in Rest of State areas increased by 1 percentage point over the month to 58%.

Generally, smaller businesses (with 5 to 19 employees) report greater recruitment difficulty than their larger business counterparts (with 20 or more employees). In March 2024, this trend continued with 55% of smaller businesses reporting recruitment difficulty, compared with 38% for larger businesses.

Employers recruiting for higher skilled (Skill level 1–3) positions were more likely to experience recruitment difficulty (62%) in March 2024, compared with 39% 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 4 percentage points, to 22% in March 2024.

- Around 4% of employers were expecting their staffing levels to decrease, 2 percentage points higher than last month.

Staffing changes over the last month

In March 2024, 12% of employers increased their staffing levels over the past month, down by 1 percentage point.

- In Capital Cities, 11% of employers increased their staffing levels in March 2024, unchanged since December 2023.
- 14% of employers in Rest of State areas increased staffing over the month, 1 percentage point lower than last month.

Over the same period, 7% of employers decreased their staffing levels, 2 percentage points lower than last month.

Reason for recruiting

Most employers recruited due to staff turnover only (62%) in March 2024, while 27% recruited to fill new positions only. Some 11% of employers were recruiting to fill positions due to both staff turnover as well as for new positions.

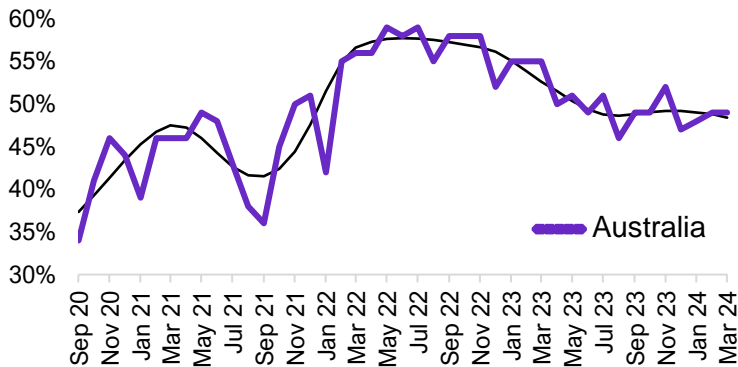
Employers unable to fill vacancies in a month

The proportion of recruiting employers who were unable to fill their vacancies within a month was 49% in March 2024, 5 percentage points lower than February 2024, and well below the peak of 72% recorded in August 2022.

REOS national indicators²

Recruitment rate

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



49%

Monthly change:

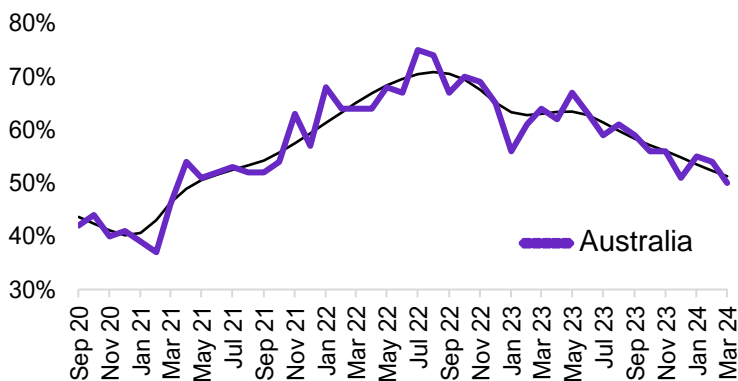
► 0% points

Annual change:

▼ 6% points

Recruitment difficulty rate

Proportion of recruiting employers who stated they had difficulty hiring staff



50%

Monthly change:

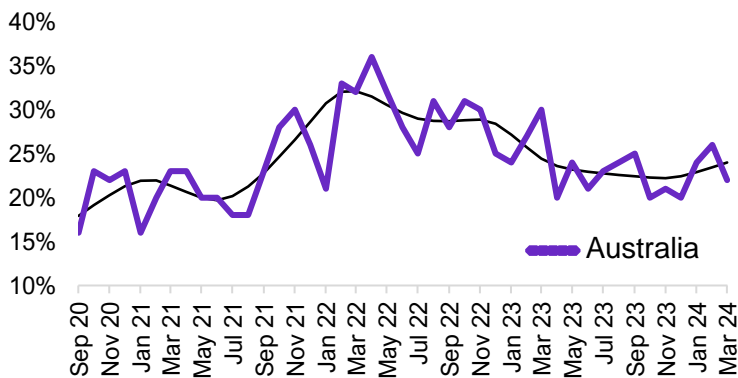
▼ 4% points

Annual change:

▼ 14% points

Staffing outlook – Expecting to increase staff

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



22%

Monthly change:

▼ 4% points

Annual change:

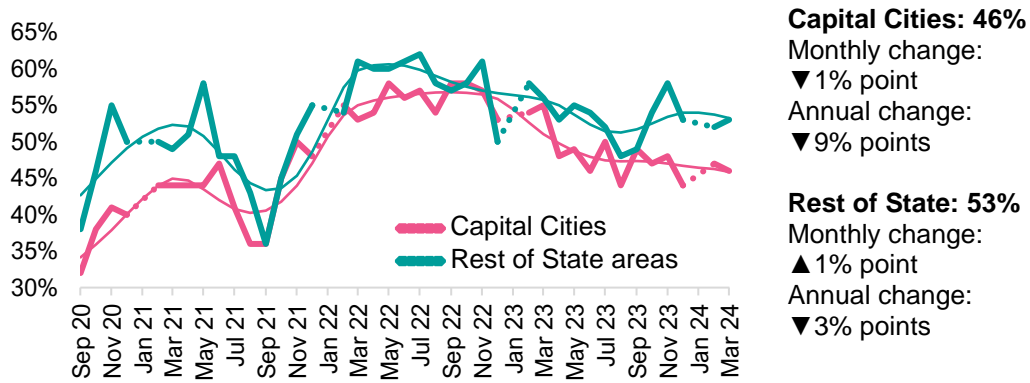
▼ 8% points

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

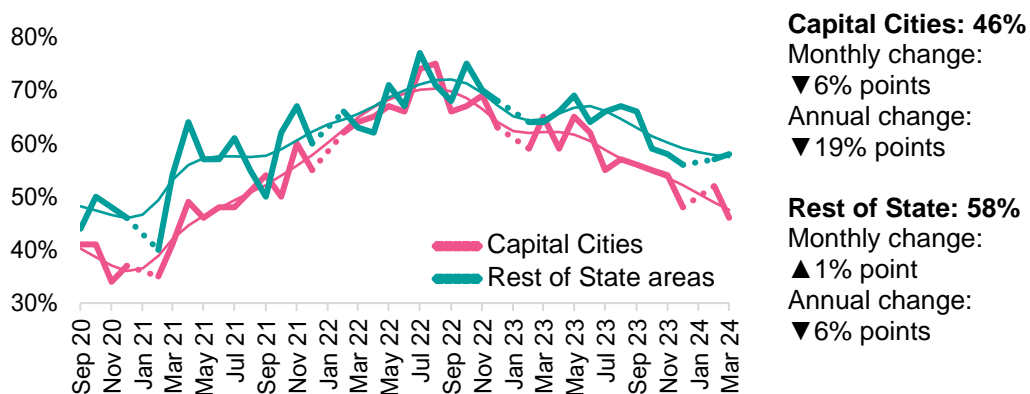
Recruitment rate

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



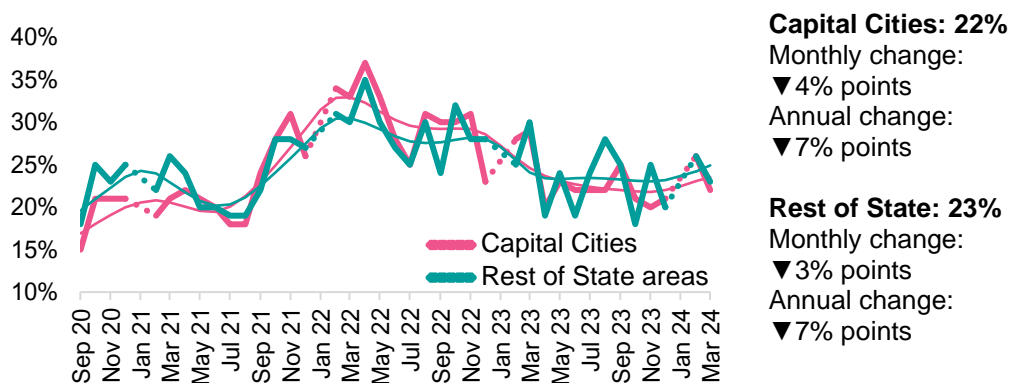
Recruitment difficulty rate

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

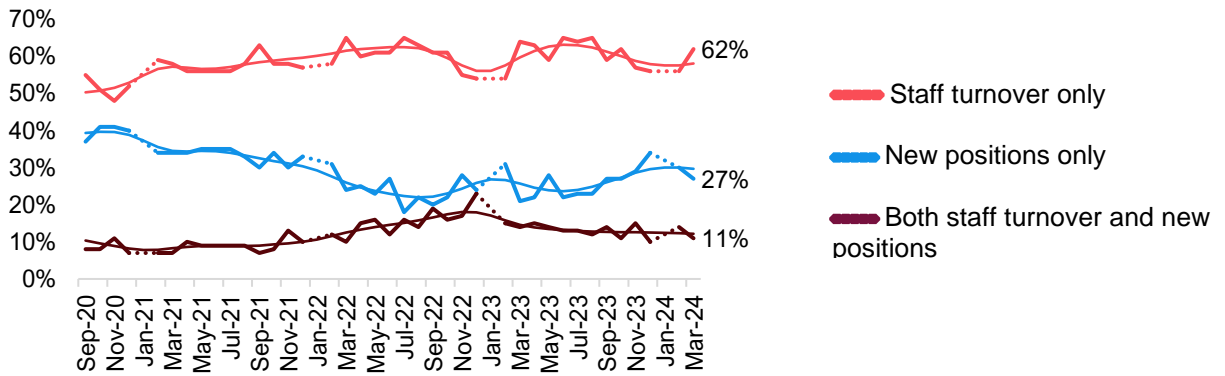


³ Data are not available for January. Data points have been joined by a dotted line between December and February to reflect this. 'Rest of State' refers to areas outside the capital cities.

Other recruitment indicators

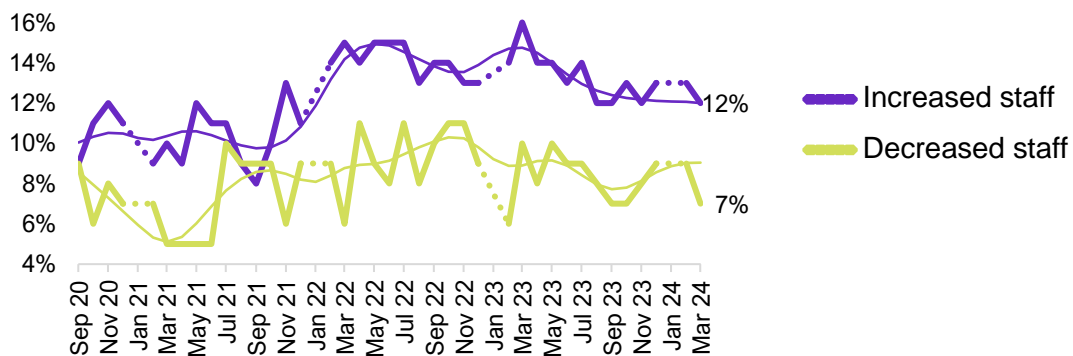
Reason for recruiting

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



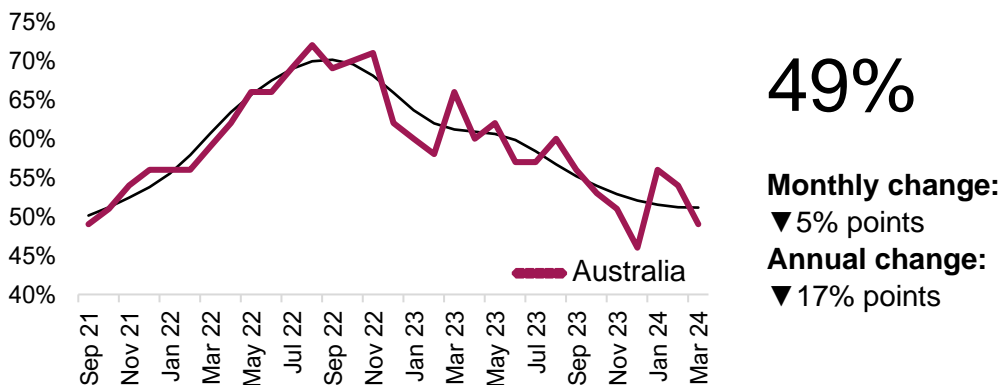
Staffing changes over the last month

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. As a 13 month moving average is applied, 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, March 2024*.

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 Recruitment Insights Report release:

- April 2024 Recruitment Insights Report and data file – 21 May 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:

- May – March quarter 2024 report – 2 May 2024

Recent spotlights:

- Experiences of employers recruiting for Apprentices
- Employers' retention issues
- Employers who hired a jobless applicant