



REOS Recruitment Insights Report – May 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

Recruitment activity and future staffing expectations both declined over the month to May 2024. While the recruitment difficulty rate rose in May, it still remains well below levels recorded a year ago.

In *smoothed* terms, the recruitment rate has been slightly declining since the start of the year. In recent months, the *smoothed* recruitment difficulty rate has remained relatively steady, however results over the coming months will confirm underlying trends.

Recruitment activity

Recruitment activity eased by 1 percentage point over the month, to 47% of employers in May 2024. This is 4 percentage points less than in May 2023 and 12 percentage points lower than the record high of 59% in mid-2022.

In Capital Cities, 45% of employers were recruiting, 4 percentage points lower than a month ago and also 4 percentage points lower than a year ago.

The recruitment rate in Rest of State areas (which typically covers regional Australia) increased by 4 percentage points over the month to 51% of employers. Despite this increase, it remains 4 percentage points lower than a year ago.

Recruitment difficulty

Recruitment difficulty increased by 3 percentage points to 56% of recruiting employers in May 2024. This is 11 percentage points lower than last year and 19 percentage points lower than the peak of 75% recorded in July 2022.

In the Capital Cities, the recruitment difficulty rate increased strongly to 57% of recruiting employers in May 2024. On the other hand, difficulty in Rest of State areas decreased to 53% of recruiting employers, resulting in a lower recruitment difficulty rate than Capital Cities for the first month since March 2023. The long-term trend of the recruitment difficulty rate for both regions, however, has been generally moving downwards since the peak in mid-2022.

Future hiring intentions

The proportion of employers expecting to increase staff numbers in the next three months eased by 1 percentage point to 19% of employers in May 2024. This was 5 percentage points lower than May last year.

Expectations to increase staffing levels have been variable across metropolitan and regional areas in recent months. Fewer employers expected to increase their future staffing levels in Capital Cities (17%) than in Rest of State areas (23%).

Only 4% of employers surveyed in May 2024 expected to decrease their staffing levels in the next 3 months. This proportion has been unchanged since March 2024, but remains 1 percentage point higher than in May last year.

Staffing changes over the last month

In May 2024, 12% of employers said their staffing levels had increased compared with a month ago, increasing by 1 percentage point from May 2024, but remaining 2 percentage points lower than a year ago.

In comparison, the proportion of employers who decreased their staffing levels over the month was 9%, with no change from May 2024. This was 1 percentage point lower than last year.

Reason for recruiting

Most employers recruited due to staff turnover, with 61% of employers doing so in May 2024. Meanwhile, the proportion of employers recruiting to fill new positions decreased by 1 percentage point to 26% in May 2024. The proportion of employers recruiting to fill both new and replacement positions increased by 3 percentage points to 13% in May 2024.

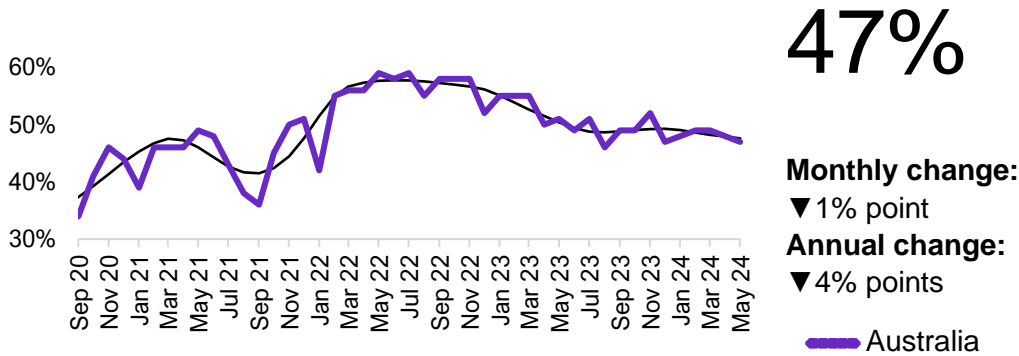
Employers not filling vacancies within a month

The proportion of recruiting employers who did not fill their vacancies within a month eased by 3 percentage points to 47% in May 2024. The May 2024 result is now 15 percentage points lower than in May 2023 and 25 percentage points lower than the record high of 72% recorded in August 2022.

REOS national indicators¹

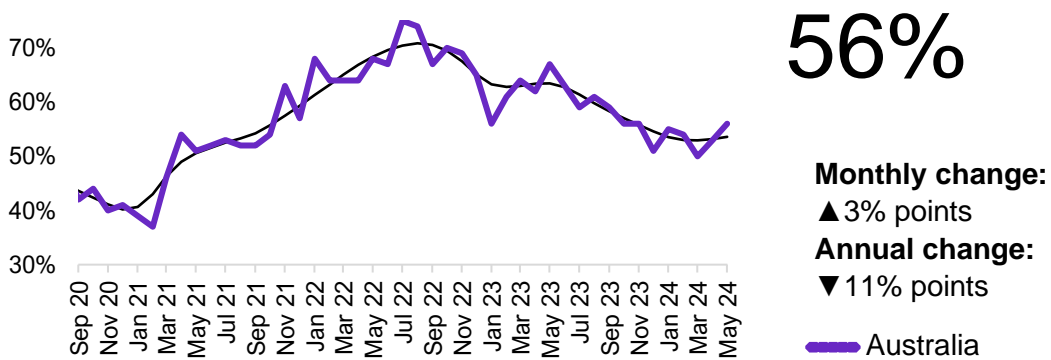
Recruitment rate

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



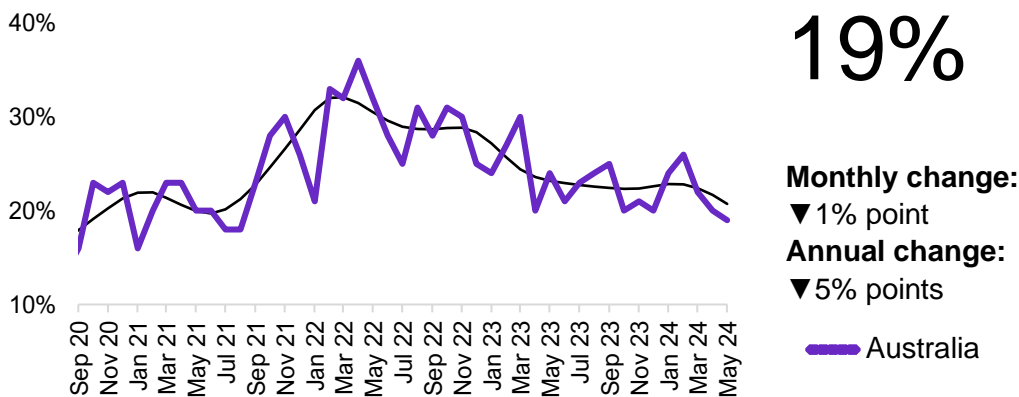
Recruitment difficulty rate

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



Future hiring intentions – expecting to increase staff

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

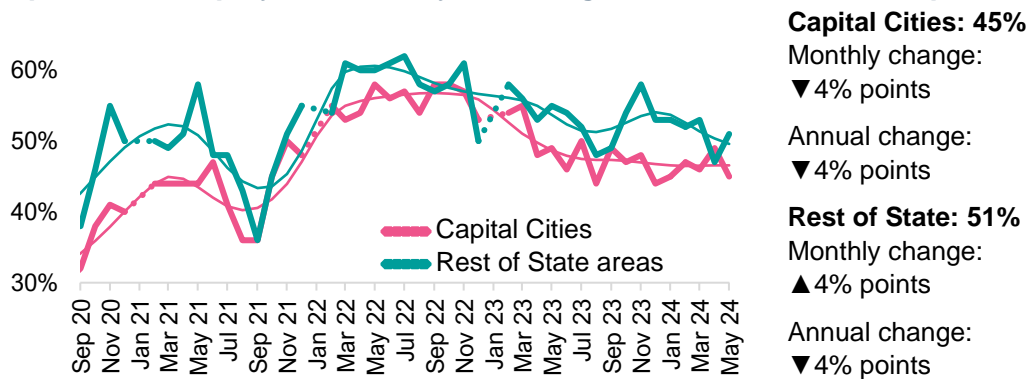


¹ A Henderson smoothed line has been included in the charts to reduce month to month volatility and illustrate long term patterns. See the explanatory note for more information.

Capital City/Rest of State areas²

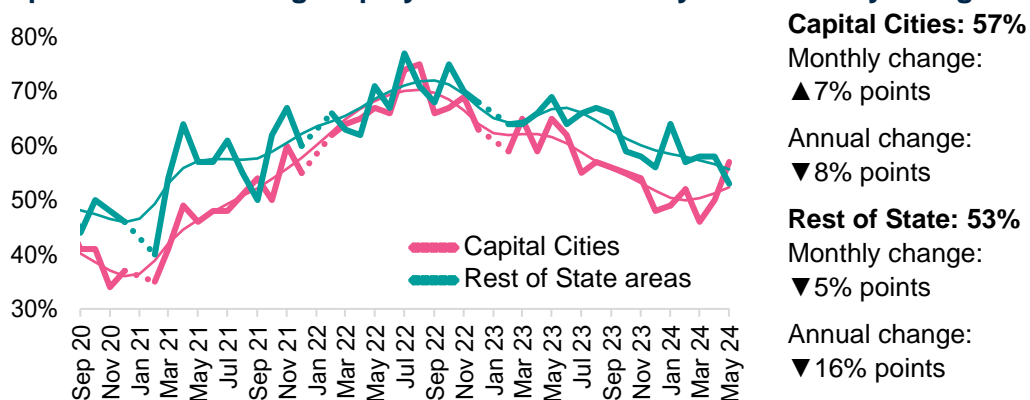
Recruitment rate

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



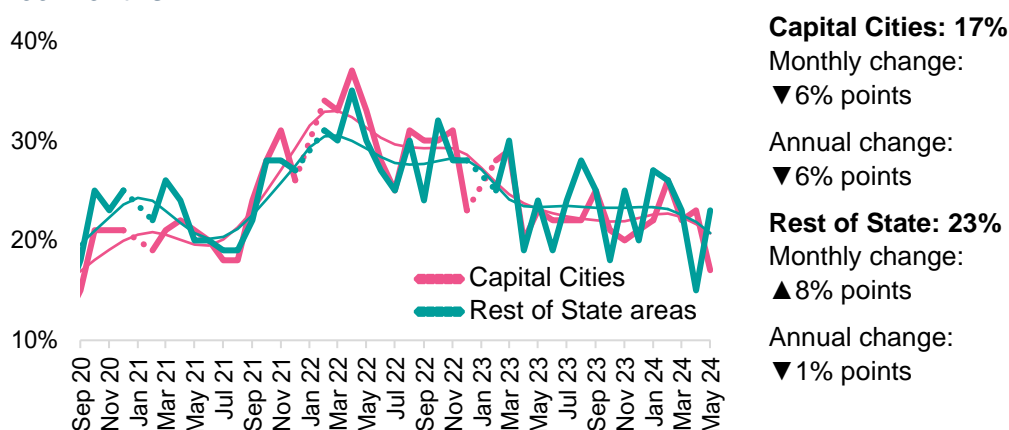
Recruitment difficulty rate

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



Future hiring intentions – expecting to increase staff

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

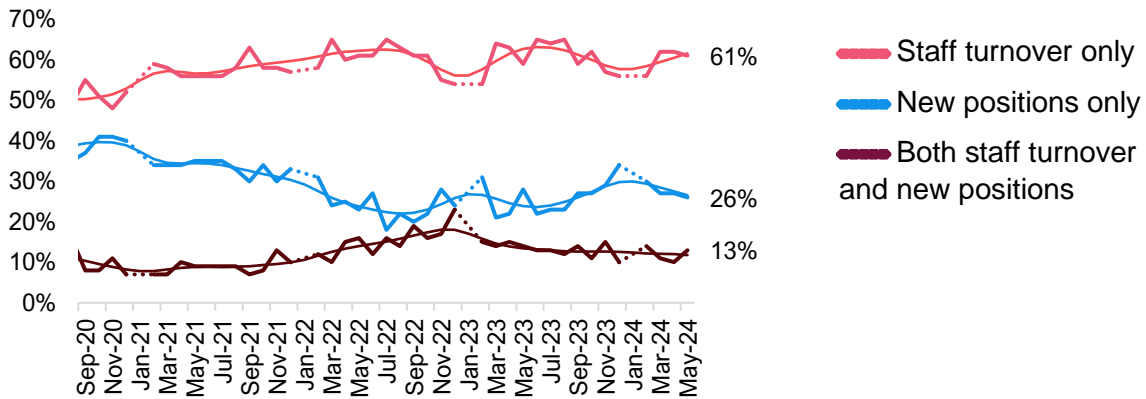


² Data are not available for January in some years. Data points have been joined by a dotted line between December and February to reflect this. 'Rest of State' refers to areas outside the capital cities.

Other recruitment indicators

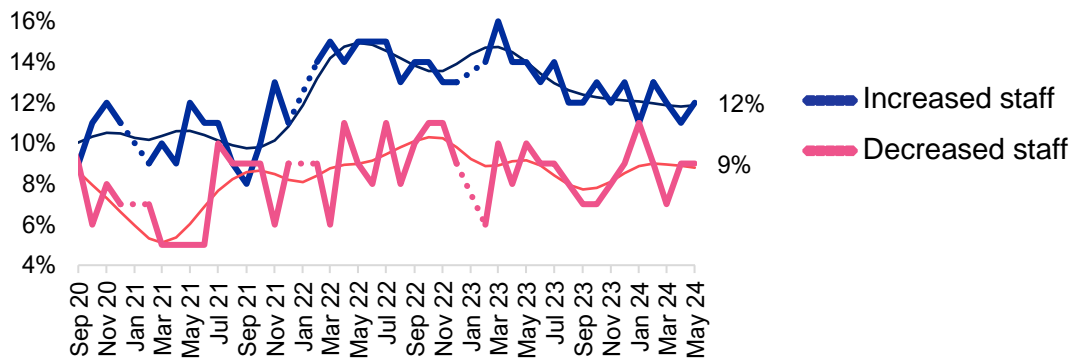
Reason for recruiting

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



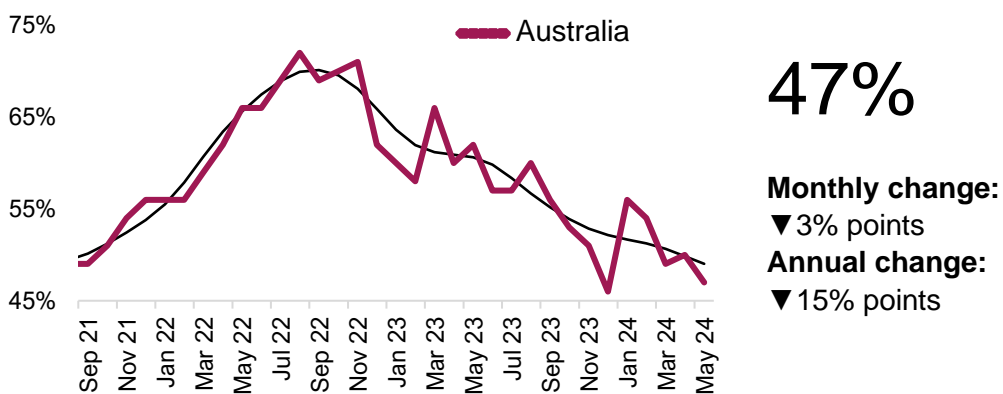
Staffing changes over the last month

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



Long-term unfilled vacancies

Proportion of employers whose vacancies remain unfilled after 1 month of recruiting*.



*only counts employers who have been recruiting for more than 1 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. Due to using 13 months in the moving average, 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, May 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:

Recruitment Insights Report, June 2024 – 16 July 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:

- Mid-year update on trends in recruitment difficulty - 4 July 2024

Recent spotlights:

- Quarterly update – Recruitment Insights Report, March quarter 2024
- Experiences of employers recruiting for apprentices, April 2024