



# REOS Recruitment Insights Report – July 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 rebounded in July 2024 following a sharp decline the month prior, due to increases in recruitment activity in both capital cities and regional areas. In addition, the recruitment difficulty rate decreased sharply over the month to a level not previously seen since early 2021, and remaining well below levels recorded a year ago. This recent volatility should elicit some caution in interpretation of monthly results.

In *smoothed* terms, the recruitment rate has continued its marked decline since the start of the year and is well below peak levels recorded in mid-2022. In recent months, the *smoothed* future expectations to increase staff has continued to decline and is below levels reported in mid-2021.

### Recruitment activity

Recruitment activity increased by 5 percentage points over the month to 44% of employers in July 2024. This is 7 percentage points less than in July 2023, and 15 percentage points lower than the record high of 59% in mid-2022.

In Capital Cities, 41% of employers recruited over the month, 4 percentage points higher than a month ago but still down 9 percentage points from July 2023.

The recruitment rate in Rest of State areas (which typically covers regional Australia) also increased over the month, by 6 percentage points to 50% of employers. This is now just 2 percentage points lower than a year ago.

### Recruitment difficulty

Recruitment difficulty decreased sharply by 8 percentage points to 47% of recruiting employers in July 2024. This is 12 percentage points lower than last year and 28 percentage points lower than the peak of 75% recorded in July 2022.

The rate of recruitment difficulty in Capital Cities decreased by 8 percentage points over the month to 48%, while it decreased by 6 percentage points in Rest of State areas to 46%. The rate of difficulty experienced in Rest of State areas remains lower than the level experienced by employers in Capital Cities for the third consecutive month. The long-term trend of the recruitment difficulty rate for both regions has been generally declining since the peak in mid-2022.

## **Future hiring intentions**

The proportion of employers expecting to increase staff numbers in the next three months remained steady at 18% of employers in July 2024. This is 5 percentage points lower than July last year.

Expectations to increase staffing levels have been variable across metropolitan and regional areas in recent months. There was a slight decrease of 2 percentage points of employers in Capital Cities expecting to increase future staffing levels (17%). In Rest of State areas, 18% of employers were expecting to increase future staffing levels over the next three months, up by 2 percentage points from June 2024.

Only 3% of employers expected to decrease their staffing levels in the next 3 months. This is the same proportion which was recorded in July 2023.

## **Staffing changes over the last month**

In July 2024, 11% of employers increased their staffing levels over the past month, up by 2 percentage points from June 2024, and 3 percentage points lower than a year ago.

Over the same period, 9% of employers decreased their staffing levels, 2 percentage points greater than last month.

## **Reason for recruiting**

Most employers recruited due to staff turnover only (64%) in July 2024, while 26% 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.

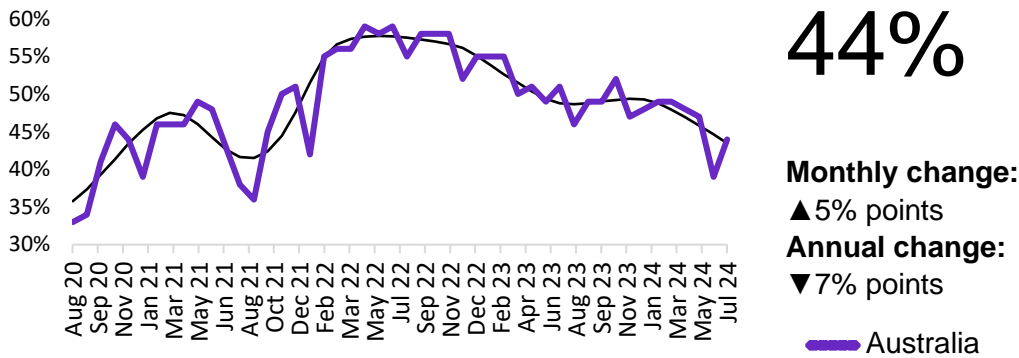
## **Employers not filling vacancies within a month**

The proportion of recruiting employers who did not fill their vacancies within a month eased by a further 3 percentage points to 42% in July 2024, 15 percentage points lower than a year ago, and well below the peak of 72% recorded in August 2022. Following on from last month's record low result, this is now the new lowest rate recorded (since August 2021 when information began to be collected on this variable).

# REOS national indicators<sup>1</sup>

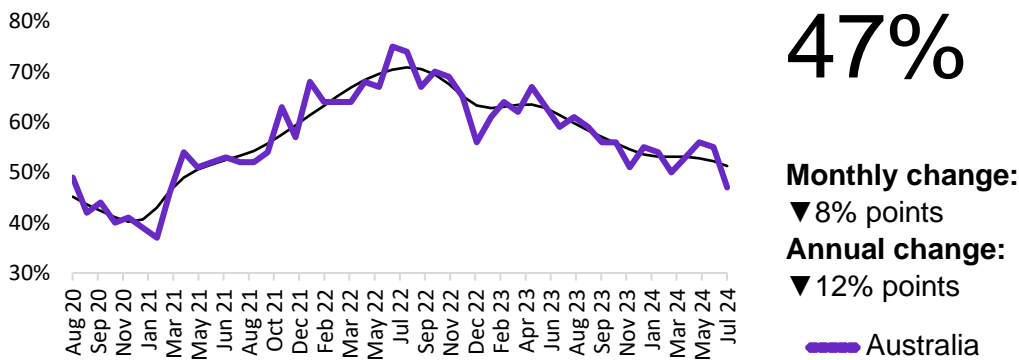
## Recruitment rate

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



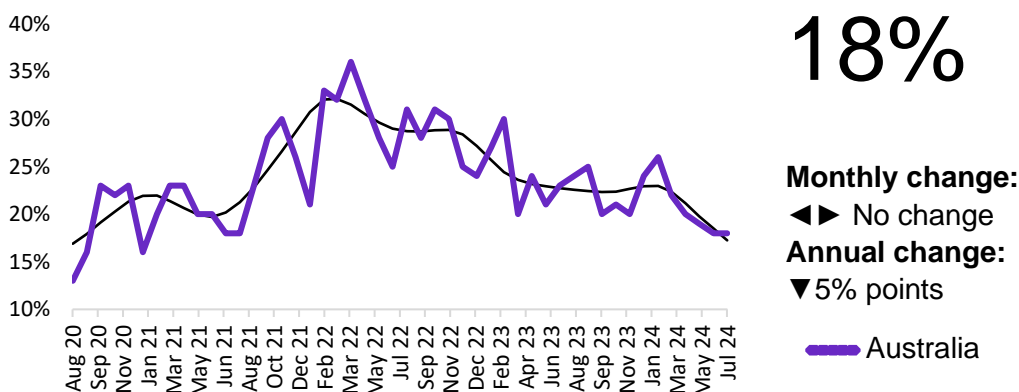
## Recruitment difficulty rate

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.

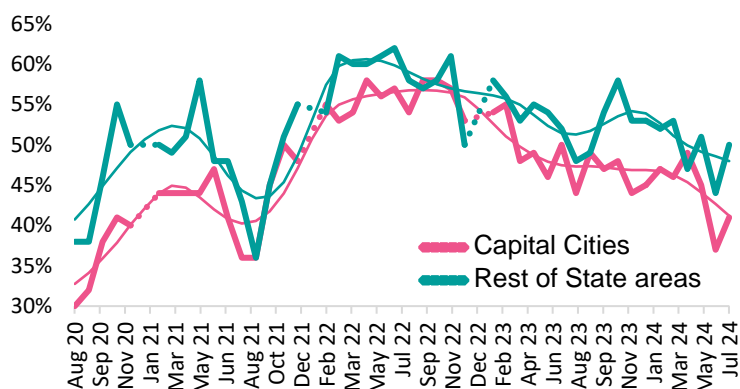


<sup>1</sup> A Henderson smoothed line has been included in the charts to reduce month to month volatility and illustrate long term patterns. See the explanatory note for more information.

# Capital City/Rest of State areas<sup>2</sup>

## Recruitment rate

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

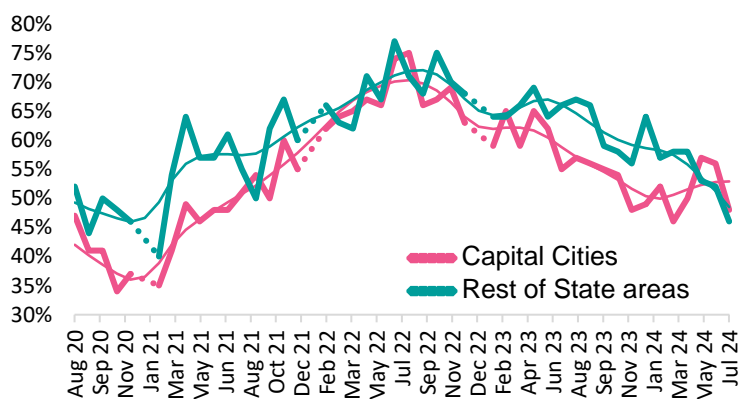


**Capital Cities: 41%**  
 Monthly change: ▲4% points  
 Annual change: ▼9% points

**Rest of State: 50%**  
 Monthly change: ▲6% points  
 Annual change: ▼2% points

## Recruitment difficulty rate

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

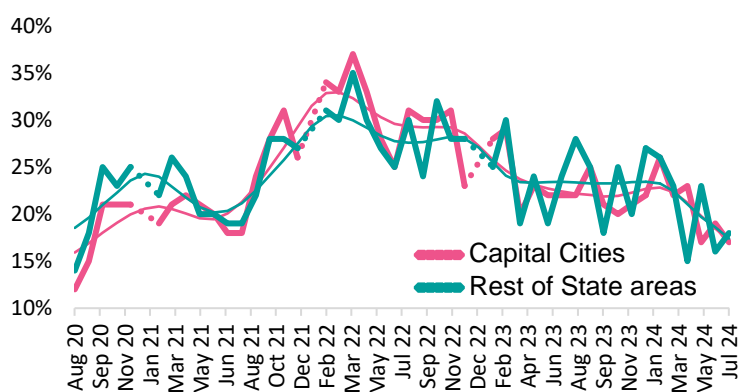


**Capital Cities: 48%**  
 Monthly change: ▼8% points  
 Annual change: ▼7% points

**Rest of State: 46%**  
 Monthly change: ▼6% points  
 Annual change: ▼20% points

## Future hiring intentions – expecting to increase staff

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



**Capital Cities: 17%**  
 Monthly change: ▼2% points  
 Annual change: ▼5% points

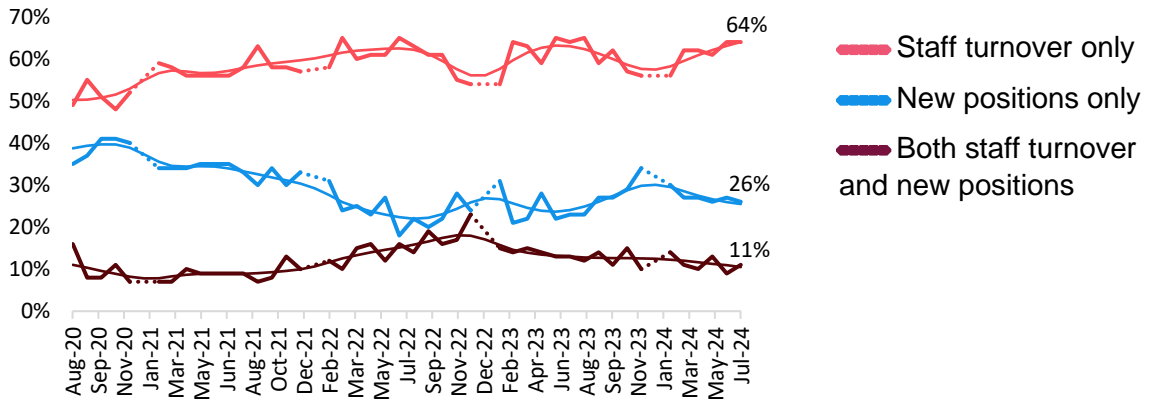
**Rest of State: 18%**  
 Monthly change: ▲2% points  
 Annual change: ▼6% points

<sup>2</sup> 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

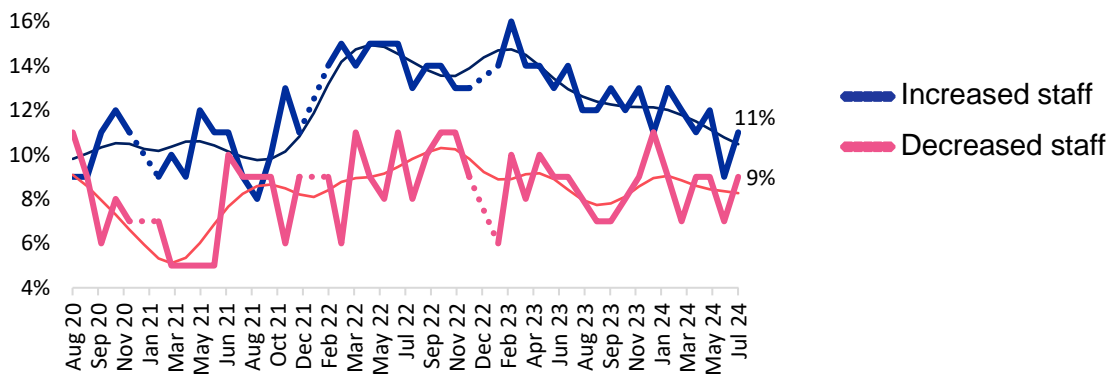
## Reason for recruiting

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



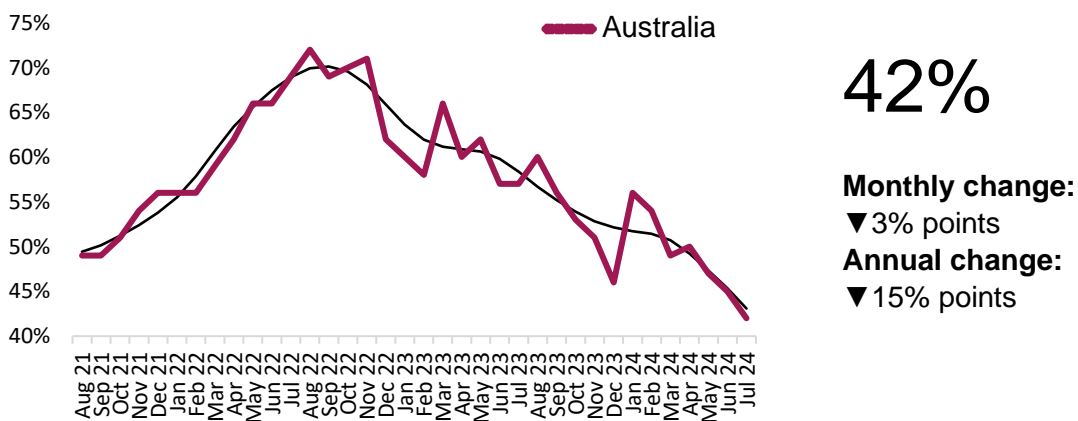
## Staffing changes over the last month

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, July 2024*.

## Contact us

For additional information, email [REOS@jobsandskills.gov.au](mailto: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, August 2024 – 17 September 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:

- Recruitment trends in regional and remote Australia – 26 September 2024

### Recent spotlights:

- Quarterly update – Recruitment Insights Report, June quarter 2024
- Recruitment difficulty update to May 2024, July 2024
- Experiences of employers recruiting for apprentices, April 2024