



# From the Big Smoke to the Back of Bourke: Recruitment experiences across Australia's regions

## Introduction

Jobs and Skills Australia's Recruitment Experiences and Outlook Survey (REOS) collects information on employer recruitment activity (the proportion of employers either currently recruiting or who had recruited in the previous month) and whether employers had difficulty recruiting for their most recent vacancy, along with a range of other recruitment related information such as reasons for recruitment difficulty, recruitment methods and the location of the employer.<sup>1</sup>

This spotlight focuses on recruitment activity in remoteness areas using REOS data and the remoteness structure defined by the Australian Bureau of Statistics (the ABS). This provides a unique insight into recruitment activity, based upon remoteness areas, and is important in helping to understand how employers recruit in these areas. Aside from the Census of Population and Housing data (the 2021 Census), there are limited publicly available data on current labour market conditions by remoteness area.<sup>2</sup>

## ABS Remoteness area structure

As shown in Figure 1, this structure divides Australia into five classes of remoteness which are characterised by a measure of relative geographic access to services. These classes are: Major Cities; Inner Regional Australia; Outer Regional Australia; Remote Australia and Very Remote Australia.

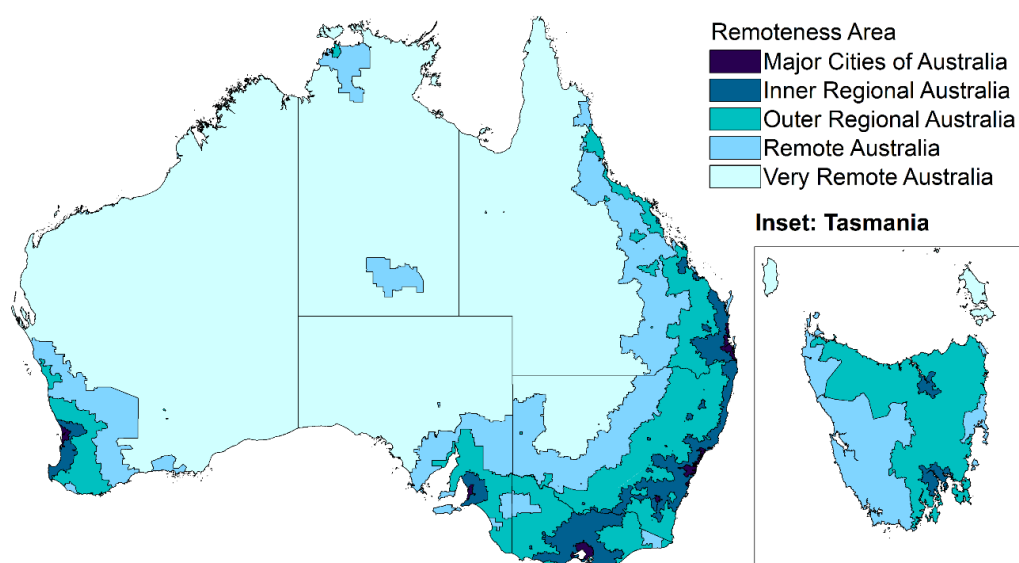
It is important to keep in mind that labour market conditions within each remoteness region vary considerably and these results represent the average across each of the remoteness regions.

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<sup>1</sup> Data are based on the location of the business surveyed, not the location of a position being recruited for. For example, some employers hiring workers for vacancies based in Very Remote Australia such as fly-in, fly-out roles will be recorded in Major Cities where the head office is located.

<sup>2</sup> While a range of data is available at the more detailed Statistical Area 4 (SA4) level, it is difficult to align this data to remoteness areas as many SA4s fall across multiple remoteness areas.

**Figure 1: The ABS Remoteness Area structure**



Source: ABS, Australian Statistical Geographic Standard, 2016

Population density in Remote and Very Remote Australia is low and labour markets are geographically isolated relative to those in the less remote areas of Australia. As shown in Table 1, employment size in Very Remote Australia is small, representing less than 1% of total working age employment in Australia (63,000 out of the 11.5 million employed at the time of the 2021 Census).<sup>3</sup> At that time, labour market conditions in Very Remote Australia were weak, with this regional area classification recording the highest unemployment rate (7.6%) and the lowest participation rate (66%) of the remoteness areas.

**Table 1: Key labour market indicators**

	Major Cities of Australia	Inner Regional Australia	Outer Regional Australia	Remote Australia	Very Remote Australia
Employment (persons) (2021 Census)	8,524,400	1,879,800	854,800	123,300	63,000
Unemployment rate (%) (2021 Census)	5.3%	4.8%	4.8%	4.0%	7.6%
Participation rate (%) (2021 Census)	78%	77%	78%	79%	66%
Highest level of educational attainment: % with a Cert III or higher (2021 Census)	64%	58%	54%	52%	41%

Source: ABS, Census of Population and Housing 2021, persons aged 15-64.

At the time of the 2021 Census, Remote Australia recorded the lowest unemployment rate (4.0%) and the highest participation rate (79%). Inner Regional Australia and Outer Regional Australia recorded the same unemployment rate (4.8%) and a similar participation rate (around 77%). Major Cities (which account for 74% of employment in Australia) recorded the second highest unemployment rate (5.3%) among the remoteness regions.

The profile of the workforce also varied significantly across the remoteness regions. The population in the Major Cities tended to have a higher level of educational attainment, with 64% of the working age population holding a Certificate III or higher, well above the 41% for

<sup>3</sup> It is important to note that labour market conditions have changed since the time of the 2021 Census and may not reflect current conditions. In addition, the 2021 Census was undertaken at a time when the labour market was affected by COVID-19, including lockdowns and other associated measures.

Very Remote Australia. Major Cities employ workers across a diverse range of industries and occupations. Meanwhile, industries such as Agriculture, Forestry and Fishing, and Mining account for a higher proportion of total employment in Outer Regional Australia, as well as in Remote and Very Remote Australia. A large proportion of the workforce in the Major Cities were employed as Professionals and this proportion steadily declines as remoteness increases. Moreover, Outer Regional, Remote and Very Remote Australia had a higher concentration of workers in managerial roles (many of whom are working in agriculture related management roles). The proportion of the workforce employed as Machinery Operators and Drivers also steadily increased as the region becomes more remote.

## Broad trends in recruitment by remoteness areas

In this section, we analyse data from the REOS survey between June 2020 and July 2024<sup>4</sup> (which is referred to as ‘2024 (to date)’ or ‘the first half of 2024’ hereafter) in order to shed light on the trends in recruitment activity over the past 4 years in the remoteness areas. Table 2, below, summarises key indicators of recruitment activity<sup>5</sup> to provide an overview of the recruitment experiences in the remoteness areas.

**Table 2: Key recruitment indicators**

	Major Cities of Australia	Inner Regional Australia	Outer Regional Australia	Remote Australia	Very Remote Australia
Recruitment rate (%) <sup>(a)</sup>	45%	50%	52%	59%	63%
Recruiting due to turnover only (%) <sup>(b)</sup>	59%	58%	60%	65%	69%
Recruitment difficulty rate <sup>(c)</sup>	55%	60%	61%	69%	66%
Vacancies not filled within a month <sup>(d)</sup>	56%	58%	57%	69%	61%

Source: JSA, Recruitment Experiences and Outlook Survey 2020 - 2024

Notes: Recruiting due to turnover only, recruitment difficulty rate and vacancies not filled within a month are a proportion of recruiting employers.

The recruitment rate is calculated as the proportion of surveyed employers who were either currently recruiting at the time of the survey or had recruited in the month prior to being surveyed. As illustrated in Table 2, the recruitment rate tends to rise as the location of the business becomes more remote, with 63% recruiting in Very Remote Australia, compared to 45% in the Major Cities. Businesses are more likely to be recruiting exclusively due to staff turnover in Remote (65%) and Very Remote Australia (69%).

The REOS survey also asks recruiting employers if they had difficulty recruiting. Employers generally find it easiest to recruit in the Major Cities (55%), followed by employers in Inner and Outer Regional Australia (at around 60%). The proportion of employers with difficulty recruiting is higher in Remote (69%) as well as Very Remote Australia (66%), and employers

<sup>4</sup> To provide a breakdown for Very Remote Australia, data from June 2020 to July 2024 have been aggregated to maximise the sample size for this region. The aggregation of several years of data should minimise potential effects of seasonality. Reflecting the distribution of employers across the remoteness areas, the REOS sample for Very Remote Australia comprises a very small proportion of all employers surveyed (less than 2%).

<sup>5</sup> REOS data in this section have been aggregated over the period from June 2020 to July 2024. Accordingly, it will not reflect current recruitment trends and differs from the annual analysis presented in later sections of this spotlight.

in both of those regions also take longer to fill their vacancies. For example, some 69% of employers in Remote Australia and 61% in Very Remote Australia did not fill their most recent vacancy within a month.

There are several reasons why employers are both more likely to be recruiting and have more difficulty recruiting as remoteness increases. For example:

- Candidate pools tend to decrease<sup>6</sup> as areas become more remote. REOS data suggests that staff turnover is higher in the more remote areas of Australia. This may increase the frequency with which employers need to recruit as well as the time taken to fill vacancies. Anecdotally, it is very common for employers in regional and remote areas to mention that there is strong competition for staff, particularly against the mining industry.
- Related to this, matching of workers to available positions is likely to be less efficient when a region is more remote, increasing the effort and time needed for employers to fill their positions. In Very Remote Australia, the *higher* recruitment rate, in conjunction with the *higher* unemployment rate, suggests that there is a considerable aggregate skills mismatch, in at least some Very Remote regions.
- Seasonal recruitment patterns in some industries, such as tourism and agriculture, may also increase recruitment rates in regions outside the Major Cities.
- Unique labour market features of more remote areas, including the impact on employers in the local labour market of having a high proportion of transient workers (such as fly-in, fly-out arrangements) working in the region, also have an effect. On the other hand, employing transient or commuting workers is also a way of managing geographic labour market mismatches<sup>7</sup>, which may reduce the recruitment burden on employers.

It is also interesting to note that employers in Very Remote Australia, overall, have slightly less difficulty recruiting workers, compared with those in Remote Australia. There are a range of factors that may contribute to this, including, but not limited to, some of the followings:

- The higher unemployment rate in Very Remote Australia, which may increase the candidate pool for some positions.
  - That said, considerable disparity in labour market conditions can be apparent in Very Remote Australia, with some parts performing much more strongly than others, which will affect the overall recruitment difficulty rate. For example, in the areas of Western Australia - Outback (North and South) where employment in mining is significant and where employers are located in Very Remote Australia, the overall unemployment rate stood at 5.1% at the time of the 2021 Census, compared with 8.6% in the rest of Very Remote Australia.
- Employers offering a range of incentives for some positions, including higher wages, to entice suitable applicants to apply.
  - Anecdotal insights from the REOS survey reflect employers' concerns regarding their competitiveness when recruiting for some specific roles. For instance, some employers suggest that they have difficulty competing with the higher wages offered by employers in the mining industry.

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<sup>6</sup> Data from REOS indicates that the average number of applicants per vacancies tends decrease as remoteness increases.

<sup>7</sup> The Treasury, Treasury Round Up: Labour market matching across skills and regions in Australia, March 2024.

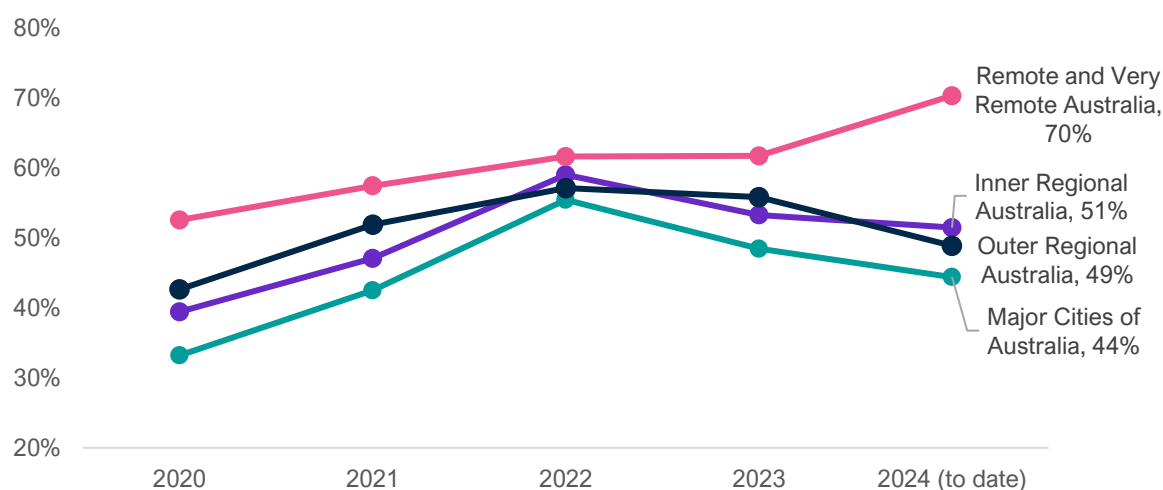
From the above analysis, recruitment experiences in Remote and Very Remote Australia differ from those in the rest of the country. Indeed, employers in both Remote and Very Remote Australia experienced a higher recruitment rate, greater recruitment difficulty and needed a longer time to fill their vacancies. In some of the following sections, the spotlight examines the annual trends in recruitment activity in different remoteness areas. To allow a sufficient sample for reliable REOS estimates, Remote and Very Remote Australia are reported on as a single category for these annual trends analyses.

## Annual trends in recruitment rates

In the first half of 2024,<sup>8</sup> the highest recruitment rate was recorded in Remote and Very Remote Australia at 70%. The lowest recruitment rate was recorded in the Major Cities (44%), with less than half of all businesses surveyed having recruited in the last month. The recruitment rates in Inner Regional Australia and Outer Regional Australia were similar at 51% and 49% of employers, respectively.

**Figure 2. Annual recruitment rates, by remoteness area, 2020 to 2024 (to date)**

% of surveyed employers



Source: Jobs and Skills Australia, Recruitment Experiences and Outlook Survey 2020 - 2024

Outer Regional Australia recorded the largest decrease in recruitment activity over the first half of 2024, with the recruitment rate declining by 7 percentage points since 2023 to 49%. It is important to note that the recruitment rate started declining for other regions after 2022, Remote and Very Remote Australia experienced a significant increase in recruitment rate over the past 4 years.

## Annual trends in recruitment difficulty

Recruitment difficulty is generally higher for employers based outside the capital cities. There has been a particularly strong decrease in recruitment difficulty in Remote and Very Remote Australia in the first half of 2024. It is now below the difficulty rate for Outer and Inner Regional Australia for the first time in more than four years<sup>9</sup> (Figure 3) and stands at a record

<sup>8</sup> REOS data are not seasonally adjusted, therefore part-year data for 2024 (to date) may potentially be impacted by some seasonal effects.

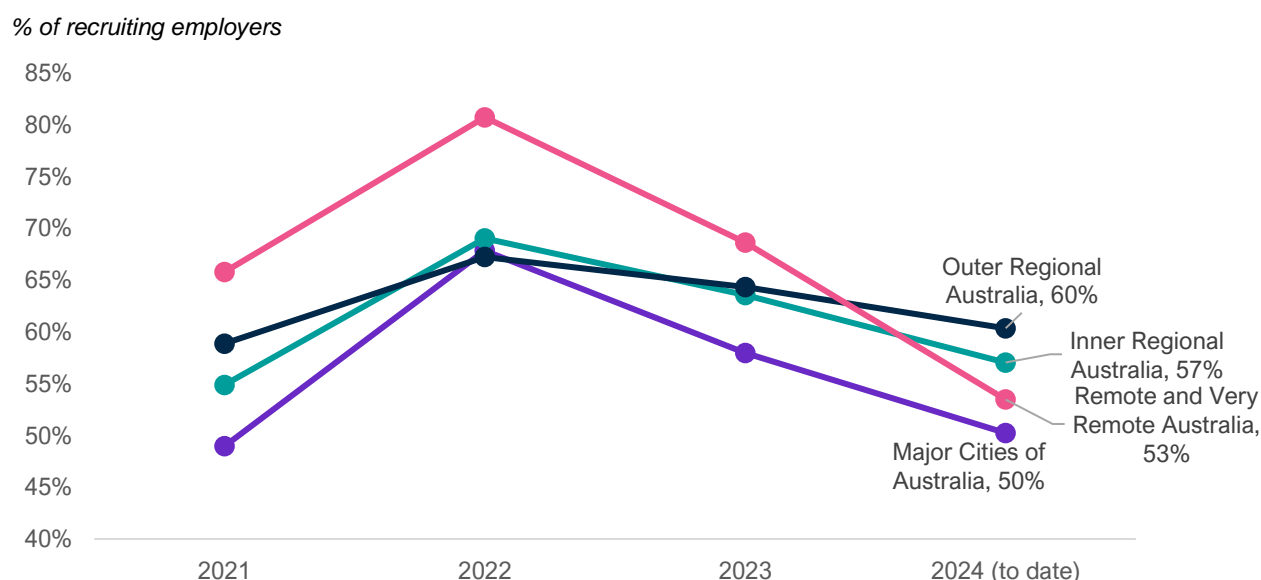
<sup>9</sup> Data for 2020 are not shown in the chart due to the limited sample size for Remote and Very Remote Australia, however, the recruitment difficulty rate in this region was higher than the other regions based on the available records for 2020.

low level (53%). In line with trends at the national level, recruitment activity peaked in 2022 across all remoteness regions. Since that time, across each of the remoteness areas, employers overall faced less difficulty recruiting staff in each subsequent year.

The sharp decrease in recruitment difficulty in Remote and Very Remote Australia has been more concentrated in employers hiring for positions that generally require minimal/no formal training and which do not have extensive experience requirements.<sup>10</sup>

- It is worthwhile noting that working holiday visa numbers have now returned to, and even exceeded, pre-COVID levels. This could be a potential factor driving a labour supply increase for lower skilled occupations concentrated in Remote and Very Remote Australia. This may have contributed to easing recruitment difficulty in these areas. However, it is difficult to determine the extent to which the contribution of working holiday visa holders to labour supply may (or may not) have influenced these trends and this is out of the scope of this spotlight.

**Figure 3: Annual recruitment difficulty rates, by remoteness area, 2021 to 2024 (to date)**



Source: Jobs and Skills Australia, Recruitment Experiences and Outlook Survey 2021-2024. Note: Calculations in this report are based on unrounded data and may not match calculations using rounded data.

## Reasons for difficulty recruiting

The REOS survey also asks employers why they had difficulty recruiting. Figure 4, below presents findings for selected commonly cited reasons, based on REOS combined data from 2020 to 2024.

There are distinct differences across the remoteness areas. Not surprisingly, 54% of employers with recruitment difficulty in Remote and Very Remote Australia cited their *location* as a reason. This was the most common reason for recruitment difficulty in this area. This was followed by Outer Regional Australia, with 26% citing this reason. Employers in the Major Cities were the least likely to mention this as a reason (3%).

In general, employers in Remote and Very Remote Australia tend to be more likely (than those in less remote regions) to cite a *general lack of applicants* as a key reason for difficulty recruiting (35% cited this reason compared to 29% in Major Cities). Employers in Remote

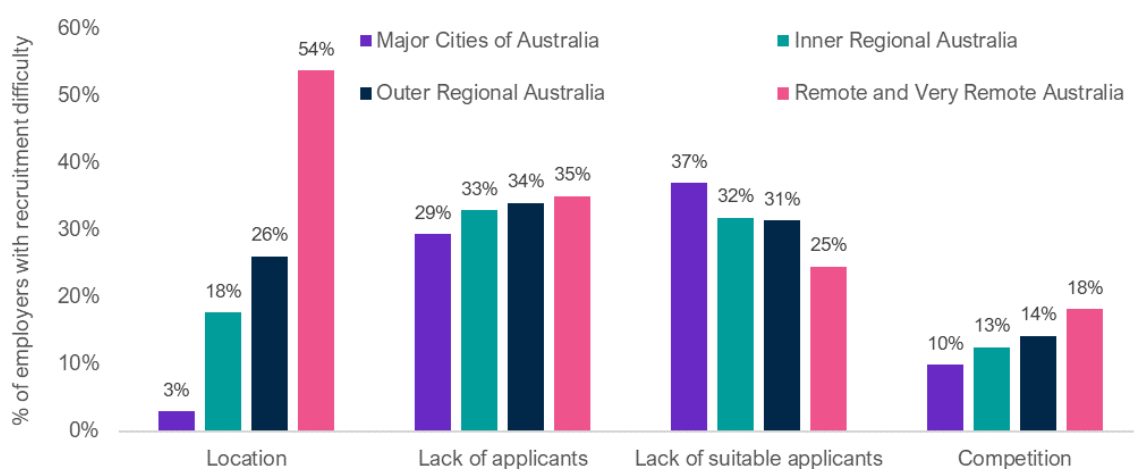
<sup>10</sup> Referred to as Skill Level 5 occupations in the ABS Australian and New Zealand Standard Classification of Occupations (ANZSCO).

and Very Remote Australia were also less likely to cite difficulties with *applicant suitability*, a *lack of technical skills* or a *lack of experience* in the job. This may reflect a greater scarcity of applicants in Remote and Very Remote Australia which might require a more pragmatic approach to recruiting and developing staff when faced with a scarcity of applicants.

- REOS data shows that applicant numbers tend to *decrease* as remoteness *increases*. On average, surveyed employers received 9.9 applicants per vacancy in the Major Cities, compared with 3.8 in Remote and Very Remote Australia.

It also may reflect, to some extent, the workforce profile of remote areas, which tend to have a higher employment share in labourer type roles (that often do not need extensive technical training or experience) compared with the Major Cities and Inner Regional Australia.

**Figure 4: Reasons for recruitment difficulty by remoteness area**



Source: Jobs and Skills Australia, Recruitment Experiences and Outlook Survey, 2020-2024

## Length of time taken to fill a vacancy

Employers recruiting in Remote and Very Remote Australia tend to take considerably longer to fill their vacancies (Figure 5) or have a longer-term unfilled vacancy (Figure 6).

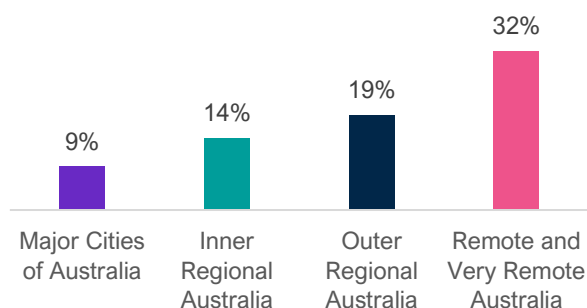
Looking at the group of employers that filled all their vacancies in their most recent recruitment round, REOS data suggest that employers in Remote and Very Remote Australia take longer to fill their vacancies. In the Major Cities, just 9% of employers reported that their most recent vacancy took three months or longer to fill, this increases to 14% in Inner Regional Australia, 19% in Outer Regional Australia and peaks at 32% in Remote and Very Remote Australia (Figure 5).<sup>11</sup>

Looking now at just those employers who were *not* able to fill all their vacancies in their most recent recruitment round, the data suggests that employers in Regional and Remote Australia could be more likely to have long-term unfilled vacancies. When asked about their most recent recruitment exercise, 20% of recruiting employers based in Remote and Very Remote Australia stated that the vacancy they were recruiting for was still unfilled and that they had been trying to fill the position for three months or longer, compared with 13% in the Major Cities (Figure 6).

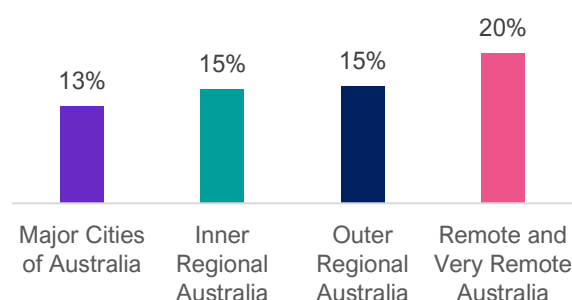
<sup>11</sup> These figures exclude employers who had unfilled vacancies and who had been recruiting for less than a month.



**Figure 5: % of employers that took 3 months or longer to fill their positions**



**Figure 6: % of employers with vacancies that have been unfilled for 3 months or longer**



Source: Jobs and Skills Australia, Recruitment Experiences and Outlook Survey, 2020-2024

Note: Figure 5 is based on the proportion of employers who filled all their vacancies in their most recent recruitment round, while in Figure 6, it is the proportion of recruiting employers who did not fill all their vacancies in their most recent recruitment round.

## Methods of recruitment

Overall, employers tend to vary the emphasis that they place on different hiring strategies depending upon where they are located (Figure 7).

Employers outside the Major Cities are considerably more likely to recruit using *social media*. Around 42% of surveyed employers in Remote and Very Remote Australia said that they used social media as a method to fill their most recent vacancy, compared with 17% in the Major Cities.

Use of *word of mouth* to recruit was also higher in Remote and Very Remote Australia (37% used this as a method), relative to the Major Cities where just 27% used this method. Just over 10% of employers in Remote and Very Remote Australia used job seekers approaching them directly as a method of filling their vacancies, similar to employers in Outer and Inner Regional Australia (both 10%).

- Employers outside the Major Cities tend to be somewhat more likely to not actively advertise their vacancies (that is, they only used either word of mouth or considered job seekers who approached them directly to fill their vacancies). Around 20% of employers outside the Major Cities hired using only these methods, compared with 15% in Major Cities.

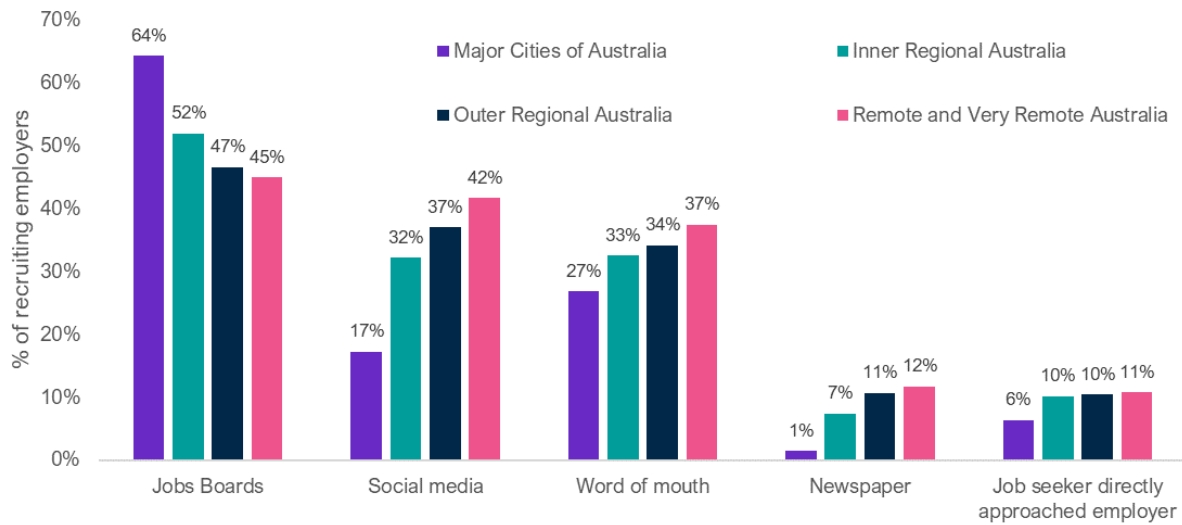
On the other hand, employers in the Major Cities were clearly the most likely to use *internet jobs boards*, with 64% using this as a method to recruit. The lowest use of internet jobs boards was in Remote and Very Remote Australia (45%). Despite being used less often by employers outside the Major Cities, it was still the most common method of recruitment across the remoteness areas.

The use of newspapers to advertise for vacancies peaks in Remote and Very Remote Australia and Outer Regional Australia (at 12% and 11% respectively) compared with just 1% in the Major Cities.



While not included in Figure 7, employers in Remote and Very Remote Australia were the most likely to use a sign to hire staff (such as a sign in the window) with 9% citing this method, almost half that recorded in the Major Cities (5%).

**Figure 7: Selected methods of recruitment by remoteness area**

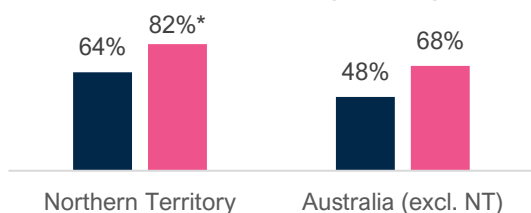


Source: Jobs and Skills Australia, Recruitment Experiences and Outlook Survey 2020-2024. Figures are a percentage of recruiting employers.

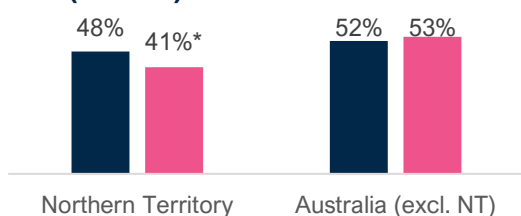
## Case study – Northern Territory

The Northern Territory (the NT) falls across three remoteness areas. The Darwin region which is classed as Outer Regional Australia. The remainder of the Northern Territory is classed as Remote or Very Remote Australia. The Northern Territory is relatively unique in terms of recruitment activity, with an overall recruitment rate of around 70% in the first half of 2024, the highest of any State or Territory and well above the national average (47%).

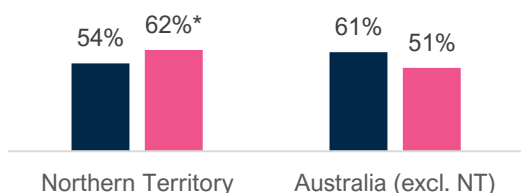
### Recruitment Rate, 2024 (to date)



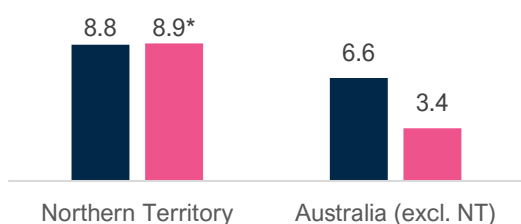
### % of vacancies filled within one month, 2024 (to date)



### Recruitment difficulty rate, 2024 (to date)



### Average applicant numbers per vacancy, 2024, (to date)



- Outer Regional Australia
- Remote and Very Remote Australia

Note: Figures marked with an asterisk (\*) are based on a low number of records and should be treated with caution.

### Labour market conditions in the Northern Territory

The unemployment rate in the Darwin region (which generally corresponds with Outer Regional NT) was below the national average at 3.3% (July 2024).

In the Northern Territory – Outback region, unemployment rate was higher at 5.9% in July 2024.<sup>12</sup>

Using the JSA’s Regional Labour Market Indicator classification for June 2024, the Darwin region’s labour market is classified as being ‘above average’, while the Northern Territory – Outback region is ‘poor’.<sup>13</sup>

### REOS results

In 2024 (to date), the **recruitment rate** across the Northern Territory was elevated compared with the same remoteness regions across the rest of Australia.

Employers in the Darwin region generally reported less **difficulty** recruiting than those in Outer Regional areas in other parts of Australia. On the other hand, recruitment difficulty was much more elevated for those in Remote and Very Remote Northern Territory, relative to other Remote and Very Remote regions.

On average, **applicant numbers** in the Darwin area were higher compared to other Outer Regional areas. This was particularly evident in Remote and Very Remote Northern Territory.

<sup>12</sup> ABS, Modelled estimates of labour force status by SA4, July 2016 to July 2024, August 2024. While the modelled estimates significantly improve the quality of labour force data at the SA4 level, they are still subject to considerable variability.

<sup>13</sup> JSA, Regional Labour Market Indicator, June 2024 (<https://www.jobsandskills.gov.au/data/regional-labour-market-indicator>)

## Background

The Recruitment Experiences and Outlook Survey (REOS) is an ongoing survey of employers across Australia. Approximately 1,000 employers are surveyed each month, with data published on the [Jobs and Skills Australia](#) 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 caution. The survey is targeted towards employers with five or more employees and excludes many government organisations. Further information is available in the [REOS methodology paper](#).

Data from the REOS are published monthly in the *Recruitment Insights Report* which is generally published on the third Tuesday of the month. Spotlights are also produced in most months, generally released in the first week of the month.

### Recent Spotlight topics include:

- *REOS June quarter 2024 report* (published July 2024): more detailed REOS data disaggregated by state, area, industry, and occupation are released in this quarterly report.
- REOS Spotlight – Recruitment Difficulty Update to May 2024 (published June 2024).
- REOS Spotlight – Employers' experiences recruiting for apprentices (published April 2024).
- Earlier topics include retention issues, jobless applicants, employers unrealised vacancies and recruitment patterns for entry level workers.

## Technical notes

The REOS is a telephone administered survey with the business owner or other person in the business responsible for recruitment. All figures presented in this report have been weighted by location and workplace size, according to the Australian Bureau of Statistics [Counts of Australian Businesses, including Entries and Exits](#) (June 2018 to June 2022) publication. The weighted figures are intended to create nationally representative results by correcting for the oversampling of smaller regions compared with larger regions.

Data collected in the survey have been coded and reported according to the following ABS classifications:

- Industry is defined by the [Australian and New Zealand Standard Industrial Classification \(ANZSIC\)](#), 2006, Version 2.0.
- Occupation is defined by the [Australian and New Zealand Standard Classification of Occupations \(ANZSCO\)](#), 2022.
- Capital City and Rest of State areas are defined by the [Australian Statistical Geography Standard \(ASGS\): Volume 1 - Main Structure and Greater Capital City Statistical Areas](#), July 2016.

Data in this release should be referenced as: *Jobs and Skills Australia, From the Big Smoke to the Back of Bourke: Recruitment experiences across Australia's regions, October 2024.*

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