



Trends and Change in Recruitment Difficulty

Jobs and Skills Australia's *Recruitment Experiences and Outlook Survey* (REOS) measures the proportion of recruiting employers who reported having difficulty in filling their most recent vacancies, referred to as the 'recruitment difficulty rate'. The recruitment difficulty rate is regarded as a core indicator of REOS and is published monthly as part of the [Recruitment Insights Report](#).

This spotlight provides an update on the recent trends in the recruitment difficulty rate and examines whether employers are finding recruitment more or less difficult than in the past.

Key findings:

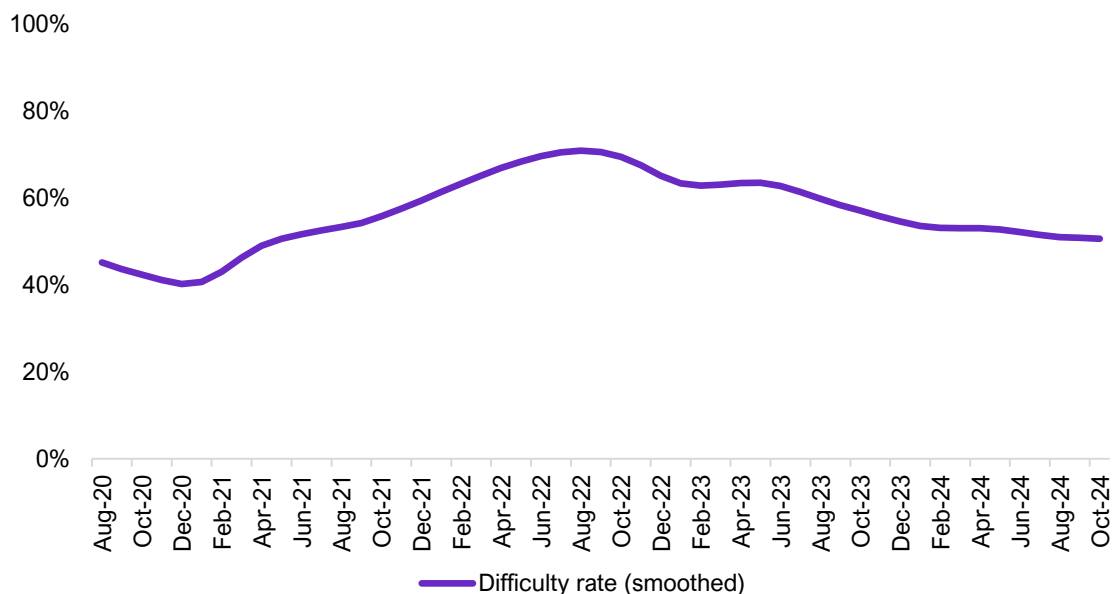
- Overall, recruitment difficulty continues to ease with 51% (in smoothed terms¹) of recruiting employers reporting difficulty in filling their vacancies in October 2024, down by 6 percentage points over the last 12 months.
- Since the start of 2023, a larger proportion of recruiting employers who filled all their vacancies reported that recruiting for the same occupation as in their previous round had become 'less difficult' compared to those who reported 'more difficult'. In October 2024, this figure was 29% (in smoothed terms) for those who stated 'less difficult', while it was 8% for those who found hiring 'more difficult'.
- In 2024 to date, employers who filled all their vacancies within 1 month were more likely to report recruitment being less difficult (33%) than more difficult (6%). By contrast, if it took longer than 1 month to fill their vacancies, employers were more likely to report higher difficulty (30%) than lower difficulty (13%).
- While *Lack of applicants* is being mentioned less frequently as a reason for recruitment difficulty, *Lack of suitable applicants* remains the most cited reason over time.

¹ REOS smoothed data is presented in this report. Smoothed data is constructed monthly using a Henderson 13 term moving average. It removes the irregular month-to-month variability of original data and highlights underlying trends.

Recent trends in recruitment difficulty

Consistent with the trend reported in the latest [Recruitment Insights Report](#), the recruitment difficulty rate continues to ease nationally, gently declining over the year to October 2024 (Figure 1). In smoothed terms, 51% of recruiting employers reported difficulty in filling their most recent vacancies in October 2024. This represents a decrease of 6 percentage points over the last 12 months, although the pace of decline has been very slow over the last few months. Since September 2022 when difficulty peaked at 71%, recruitment difficulty has declined by 20 percentage points.

Figure 1: Recruitment difficulty rate (smoothed), Australia (Proportion of recruiting employers, %)

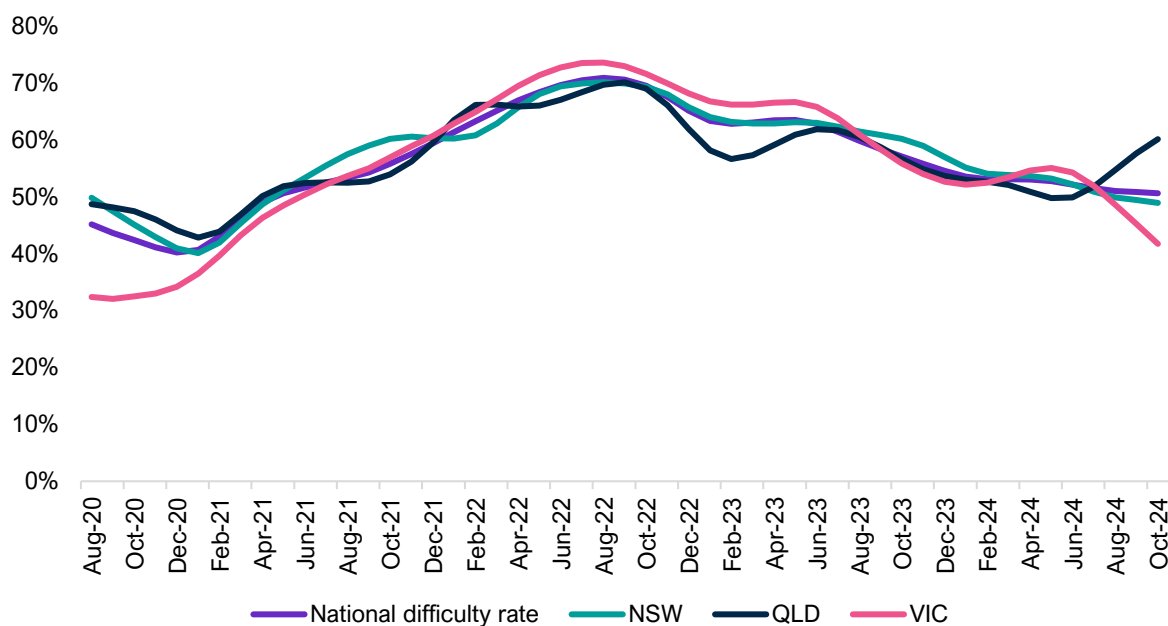


Source: Jobs and Skills Australia, Recruitment Experience and Outlook Survey, October 2024

Disaggregated data continue to show recruitment difficulty maintaining the overall trends across all major groupings that were reported in the latest [Recruitment Insights Report](#) and [May 2024 update to recruitment difficulty](#). Looking at the smoothed series over the 12 months to October 2024, the following trends were observed.

- The overall decline in the recruitment difficulty rate has been driven by decreases in Victoria (by 14 percentage points over the year) and New South Wales (by 11 percentage points since October 2023) (Figure 2). In contrast, the rate for Queensland increased by 3 percentage points since October last year and is the highest of all states, at 60%.
- A sharp reversal in the difficulty trend for Queensland and Victoria was observed in May 2024 where both states quickly began diverging from the national difficulty rate, with Queensland starting to increase and Victoria declining. New South Wales, on the other hand, continues to track closely with the national difficulty rate (Figure 2).

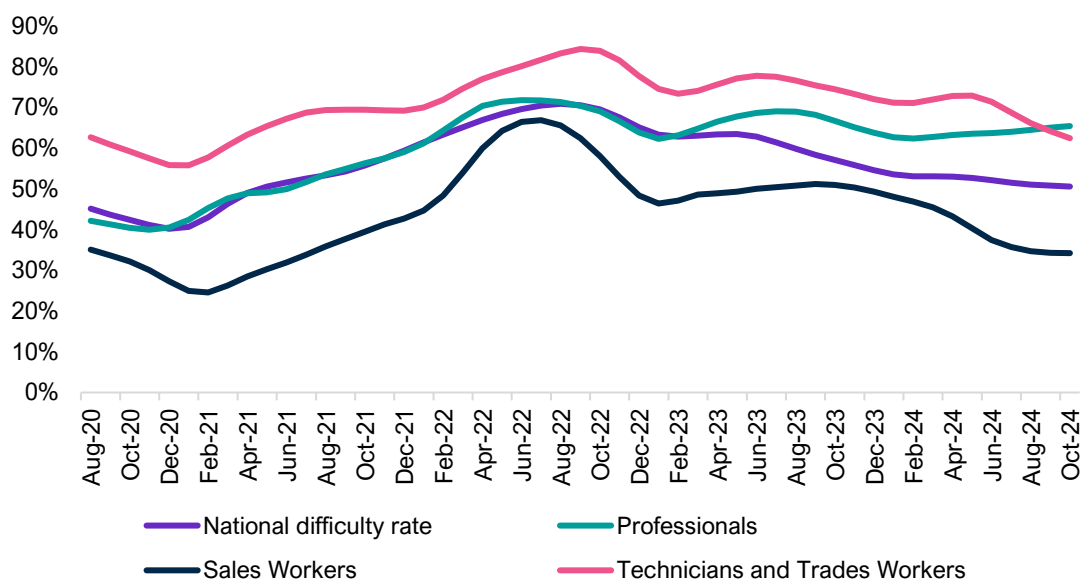
Figure 2: Recruitment difficulty rate (smoothed) by state (Proportion of recruiting employers, %)



Source: Jobs and Skills Australia, Recruitment Experience and Outlook Survey, October 2024

- Employers in rest of state areas experienced a higher difficulty rate (55%) compared with those in capital cities (48%), with both regions recording similar decreases over the last year (by 6 and 7 percentage points, respectively).
- Recruitment difficulty continued to ease across most reported industries, although the difficulty rate for Construction increased by 2 percentage points to record the highest rate, at 60%. Employers in the Retail Trade industry experienced a decrease in their difficulty rate of 13 percentage points, to be 41% in October 2024.
- Higher skilled occupations continue to have a higher difficulty rate (59% in October 2024) compared with lower skilled occupations (43%), although the annual decrease has been larger in higher skills occupations (down by 9 percentage points compared with 4 percentage points for the counterparts).
- Technicians and Trades Workers and Professionals continue to experience the highest difficulty rates, although the former has experienced a notable decrease in their rate of 12 percentage points over the last year, albeit from a very high level (Figure 3). The largest decrease in difficulty rate was in Sales Workers, which fell by 17 percentage points to 34%, the lowest of all occupation groups.
- Prior to the start of 2023, the difficulty rate for Professionals closely followed the national difficulty trend. However, since then the difficulty trend for Professionals has remained relatively flat while the national difficulty rate continues to ease. The trend in the difficulty rate for Technicians and Trade Workers as well as Sales Workers remains well behaved with the former remaining consistently above the national difficulty rate and the latter consistently below (Figure 3).

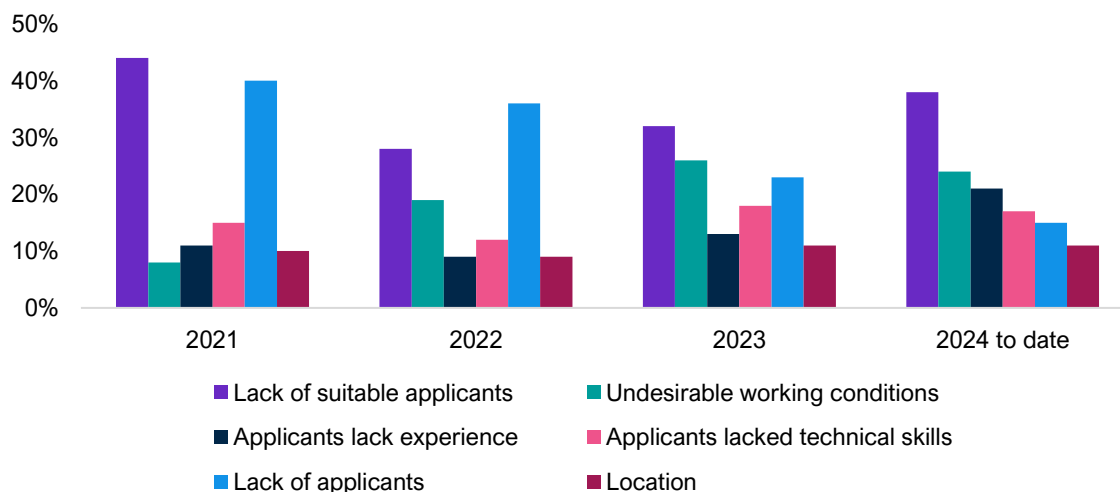
Figure 3: Recruitment difficulty rate (smoothed) by occupation (Proportion of recruiting employers, %)



Source: Jobs and Skills Australia, Recruitment Experience and Outlook Survey, October 2024

The top reasons for recruitment difficulty in 2024 to date were *Lack of suitable applicants* (38%), followed by *Undesirable working conditions* (24%), *Applicants lack experience* (21%), *Applicants lacked technical skills* (17%), and a general *Lack of applicants* (15%) (Figure 4). These reasons, together with *Location*, have consistently been mentioned by employers as the main contributing factor to recruitment difficulty, however, the prevalence of each reason have shifted over the years. *Lack of suitable applicants* remained the most popular reasons for recruitment difficulty over the 4-year period. Meanwhile, employers citing *Lack of applicants* has consistently declined from the second to the fifth most mentioned response in 2024. This aligned well with a further softening in labour market activity reported in the JSA [latest labour market update](#). In contrast, the proportion of employers citing *Undesirable working conditions* has increased from the sixth most common response in 2021 to the second most common in 2023 and 2024 (Figure 4).

Figure 4: Main reasons for recruitment difficulty, Australia (Proportion of employers with recruitment difficulty, %)



Source: Jobs and Skills Australia, Recruitment Experience and Outlook Survey, October 2024

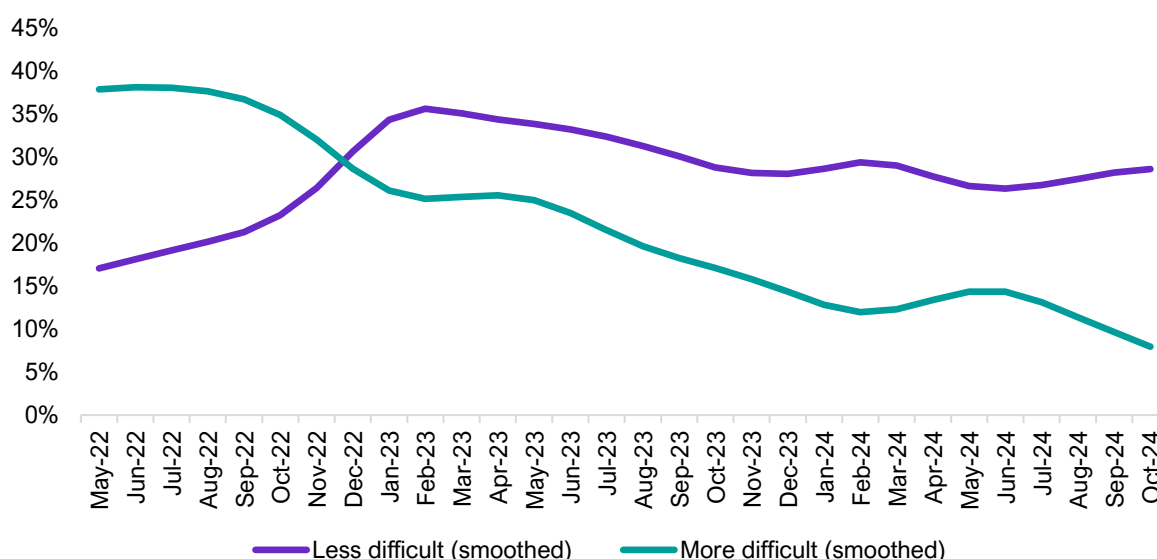
Changes in the level of recruitment difficulty

Employers who filled all the vacancies in their most recent recruitment round were also asked if their difficulty was ‘more’, ‘less’ or ‘the same’ when compared with the previous time they recruited for that occupation² (Figure 5). This follow-on question provides insights on how the difficulty levels faced by the businesses have changed over time.

In October 2024, 29% of recruiting employers who filled their vacancies in recent recruitment rounds found it less difficult to recruit than last time, compared to 8% who found it more difficult³ (Figure 5).

Looking at the time series, between May 2022 and December 2022, it was more common for employers to find their recent recruitment becoming more difficult compared to their experience in the previous round. Since December 2022, the trend has flipped and the gap between the proportion of recruiting employers who filled all their vacancies in recent recruitment rounds reporting ‘less difficult’ and ‘more difficult’ has widened, with a higher proportion reporting ‘less difficult’ alongside a lower proportion reporting ‘more difficult’. This result reemphasises that while employers still find it difficult hiring, it has become relatively less difficult than when they last recruited.

Figure 5: Change in the recruitment difficulty level, Australia (Proportion of recruiting employers who filled all vacancies, %)



Source: Jobs and Skills Australia, Recruitment Experience and Outlook Survey, October 2024

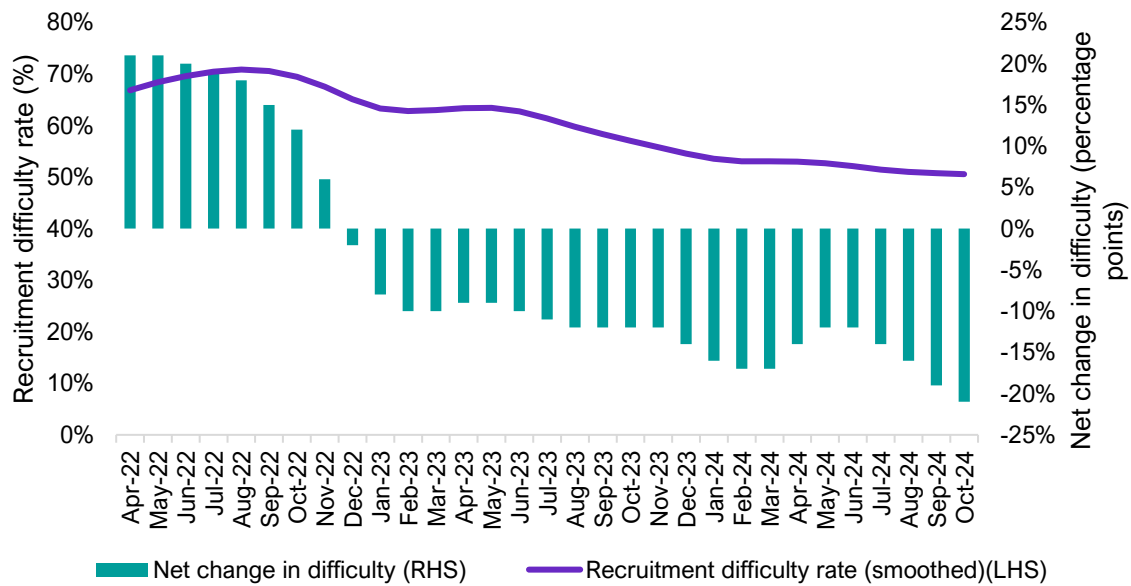
Expressing this result as a net change (i.e. proportion reporting more difficult minus those reporting less difficult) shows a strong correlation with the recruitment difficulty rate (Figure 6). The net change has been negative since the end of 2022, aligning with the recruitment difficulty rate slowly declining over that period.

In October 2024, the number of employers who cited recruitment being less difficult exceeded employers who reported recruitment being more difficult by 21 percentage points. This represents the largest net difference to date and highlights an increasing shift in the number of employers who are experiencing easing difficulty.

² Within the two years prior to being surveyed.

³ Compared with the previous time they recruited for that occupation.

Figure 6: Recruitment difficulty rate and net change in difficulty, Australia (Proportion of recruiting employers who filled all vacancies, %)

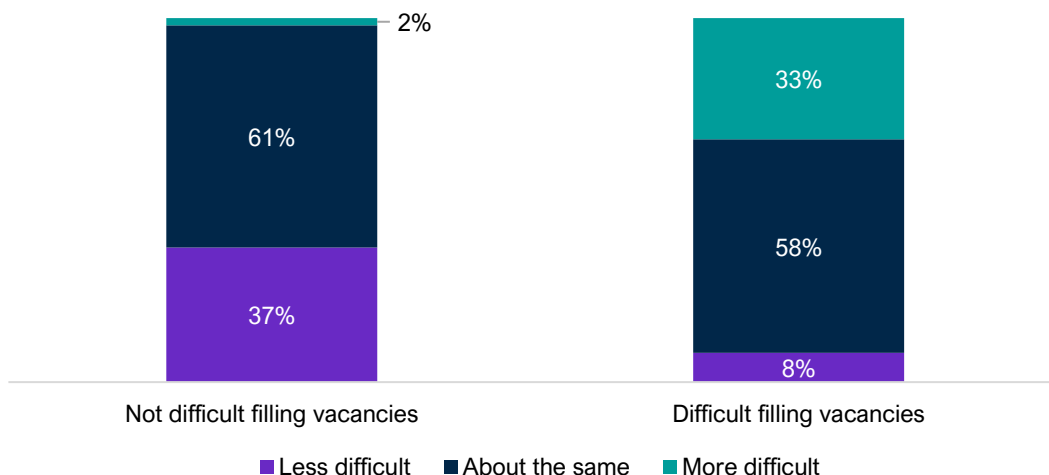


Source: Jobs and Skills Australia, Recruitment Experience and Outlook Survey, October 2024

This overall trend is also found across disaggregated data as mentioned in the earlier section. It is worth noting in Figure 6 that even though the overall recruitment difficulty rate is gradually decreasing alongside softening labour market conditions, there still remains employers who find it similarly difficult or more difficult to find staff than the previous time they recruited for that occupation.

Figure 7 below compares changes in difficulty level between employers who reported difficulties hiring and their counterparts. For those who found it difficult to fill their vacancies in their most recent recruitment round, 33% indicated that they experienced more difficulty than last time hiring for the same occupation. Meanwhile, for employers without difficulty hiring staff in their most recent recruitment round, they generally experienced less difficult recruitment (37%) or about the same as the previous recruitment round (61%).

Figure 7: Change in difficulty level by overall recruitment difficulty, Australia, January 2024 to October 2024 (Proportion of recruiting employers who filled all vacancies, %)

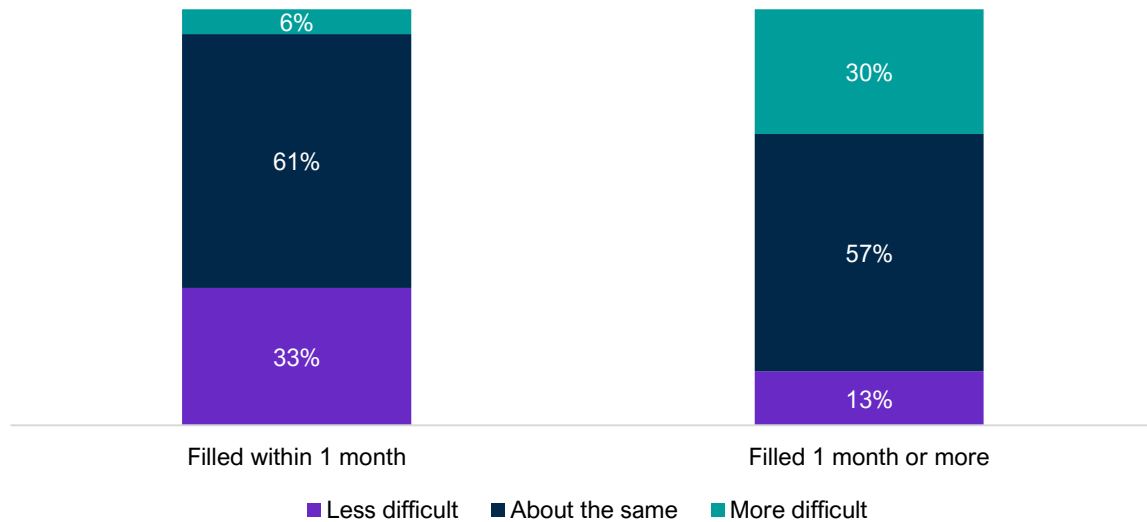


Source: Jobs and Skills Australia, Recruitment Experience and Outlook Survey, October 2024

Level of difficulty by time taken to fill vacancies

A correlation was also observed between the time taken to fill vacancies and the change in difficulty level of recruitment rounds (Figure 8). For calendar year 2024 to date, employers who filled their vacancies within 1 month were more likely to cite a less difficult recruitment round (33%) rather than being more difficult (6%). By contrast, employers who took longer than 1 month to fill their vacancies cited it was more difficult to recruit (30%) rather than less difficult (13%).

Figure 8: Change in difficulty level by time taken to fill vacancy, Australia, January 2024 to October 2024 (Proportion of recruiting employers who filled all vacancies, %)



Source: Jobs and Skills Australia, Recruitment Experience and Outlook Survey, October 2024

REOS Background and Notes

Jobs and Skills Australia conducts the Recruitment Experiences and Outlook Survey (REOS), a telephone administered survey of around 1,000 employers each month. While the results 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. More detail is available at <https://www.jobsandskills.gov.au/work/reos-survey-methodology>. REOS data are published on the Jobs and Skills website at: <https://www.jobsandskills.gov.au/work/recruitment-experiences-and-outlook-survey>

Data in this release should be referenced as: *Jobs and Skills Australia, Trends and Change in Recruitment Difficulty, December 2024*

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 2021.

Recent REOS releases

The [Jobs and Skills Australia](#) website includes:

- The October 2024 monthly REOS report, including a more detailed excel datafile. The datafile includes both the monthly results as well as the quarterly series. The quarterly estimates are aggregated results for the 3 months within each quarter.
- REOS Spotlight series features analysis on topics of interest not covered in the regular monthly. Recent spotlight releases cover topics on the construction industry, recruitment patterns across Australia's regions, recruitment difficulty, employers' experiences with staff retention, and experiences of employers recruiting for apprentices.

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