



REOS Recruitment Insights Report - April 2025

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

Key Findings

REOS results for April 2025 saw the recruitment rate decline marginally over the month. Despite this slight fall, recruitment activity has picked up over the last three months and remains similar to levels recorded a year ago. In smoothed terms, the recruitment rate is now trending upwards following the stronger results over the last three months. Employers were also more optimistic in April about increasing their staffing in the three months ahead.

This month, there was a sharp rise in the proportion of employers having difficulty recruiting. The smoothed recruitment difficulty rate (which provides a better sense of the overall movement in the series) has remained essentially unchanged over the past month (despite the large increase in original terms), after steadily declining since mid-2024.

More broadly, the unemployment rate remains low, and the number of online vacancies continues to stand at elevated levels. However, it is uncertain whether the recruitment activity and challenges observed in April will persist in the coming months, given that trend jobs growth has been gradually slowing, and there are expectations that the labour market will soften further in the near future.

Recruitment activity

In April 2025, the recruitment rate was 48%. This was 1 percentage point lower than last month. Compared with a year ago (April 2024), the recruitment rate has remained unchanged.

In the Capital Cities, 46% of employers recruited in April 2025, below the 50% in Rest of State areas. Over the month, the recruitment rate has decreased by 2 percentage points in the Capital Cities and by 3 percentage points in Rest of State areas. Compared to a year ago (April 2024), the recruitment rate in Capital Cities has decreased by 3 percentage points, while in Rest of State areas, it has increased by 3 percentage points.

Recruitment difficulty

The recruitment difficulty rate increased sharply, up by 12 percentage points to 53% of recruiting employers in April 2025 and currently stands at the same level it was a year ago.

The increase in recruitment difficulty over the month was particularly evident in Rest of State areas and for employers recruiting for higher skilled positions.

A lower proportion of recruiting employers experienced recruitment difficulty in the Capital Cities areas (50%), compared with Rest of State areas (59%) in April 2025.

Recruitment difficulty increased by 9 percentage points over the month in the Capital Cities and is now at the same level relative to a year ago (April 2024).

In Rest of State areas, recruitment difficulty increased by 20 percentage points over the month, 1 percentage point higher than in April 2024.

Staffing outlook: employers expecting to increase staff

Compared with a month ago, the proportion of employers expecting to increase their staffing numbers in the next three months increased by 3 percentage points, reaching 23% in April 2025. This was 3 percentage points higher than it was a year earlier.

A lower proportion of employers in Capital Cities (21%) were expecting to increase their staffing levels in the next three months compared to those in Rest of State areas (26%).

Over the month, this figure increased by 3 percentage points in the Capital Cities and now stands 2 percentage points lower than a year ago.

In Rest of State areas, this figure increased by 2 percentage points over the month to stand 11 percentage points higher than a year ago.

Reason for recruiting

Recruitment due to staff turnover only was the main reason why employers recruited in April 2025 (accounting for 56% of recruiting employers). Some 32% of recruiting employers aimed to fill new staff positions only and the remaining 12% were recruiting to fill both new staff and staff turnover positions.

Staffing changes over the last month

While noting that this indicator has been variable over recent months, 13% of employers increased their staff in April 2025, which was 2 percentage points higher than a year ago. Around 13% of employers reported a decrease in their staff numbers over the month, an increase of 4 percentage points over the year.

In the three months to April 2025, 5.5% of surveyed employers decreased their staffing levels over the month and were not recruiting. This figure, which would exclude any employers who had decreased staffing but were currently recruiting to try replace them, is the highest since the 6.8% recorded in September 2020.

Employers unable to fill vacancies in a month

The proportion of recruiting employers who were unable to fill their vacancies within a month increased by 9 percentage points to 46% in April 2025. This figure is 4 percentage points lower than the 50% recorded in April 2024.

REOS national indicators ¹

Recruitment rate

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



48%

Monthly change:

▼ 1%pt

Annual change:

0%pts

Recruitment difficulty rate

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



53%

Monthly change:

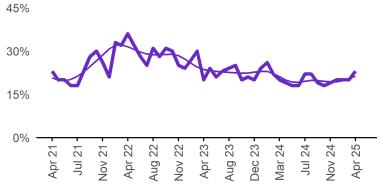
▲ 12%pts

Annual change:

0%pts

Expecting to increase staff

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



23%

Monthly change:

▲ 3%pts

Annual change:

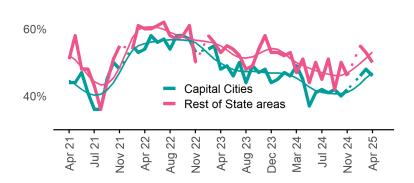
▲ 3%pts

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.



Capital Cities: 46% Monthly change:

▼ 2%pts

Annual change:

▼ 3%pts

Rest of State: 50% Monthly change:

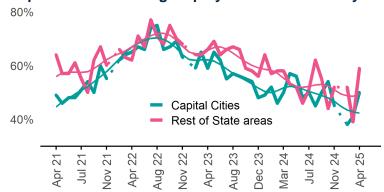
▼ 3%pts

Annual change:

▲ 3%pts

Recruitment difficulty rate

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



Capital Cities: 50% Monthly change:

▲ 9%pts

Annual change:

0%pts

Rest of State: 59% Monthly change:

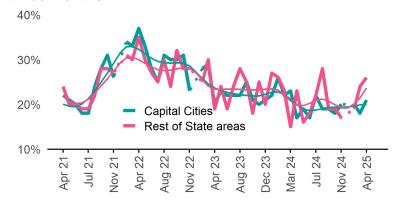
▲ 20%pts

Annual change:

▲ 1%pt

Staffing outlook – Expecting to increase staff

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



Capital Cities: 21%

Monthly change:

▲ 3%pts

Annual change:

▼ 2%pts

Rest of State: 26% Monthly change:

▲ 2%pts

Annual change:

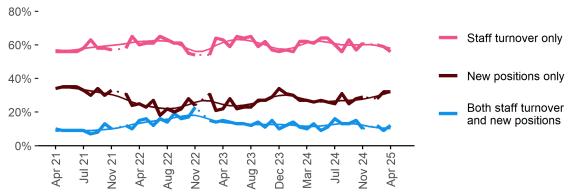
▲ 11%pts

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

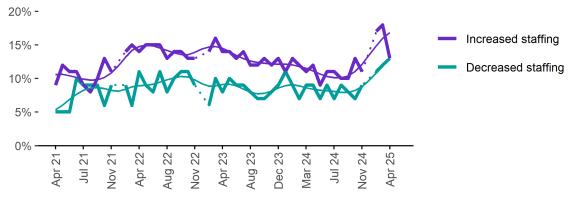
Reason for recruiting

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



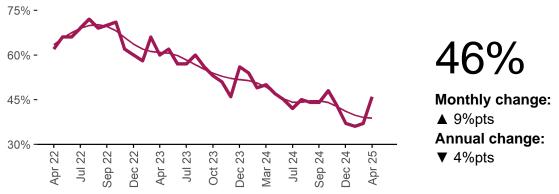
Staffing changes over the last month

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



Employers unable to fill vacancies 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.

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. Around 1000 employers are surveyed each month, with data published on the <u>JSA website</u>. 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. Details of the survey methodology can be accessed from the <u>JSA website</u>.

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 each month.

How to reference data from this report

Jobs and Skills Australia, Recruitment Insights Report, April 2025.

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 <u>JSA website</u>. 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, <u>ARIA</u> (ABS' Accessibility and Remoteness Index of Australia) as well as selected industry and occupation groups.

Next Recruitment Insights Report release:

May 2025 Recruitment Insights Report – 17 June 2025

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Impacts of recruitment difficulty on businesses – June 2025

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