

# REOS Recruitment Insights Report - May 2025

Jobs and Skills Australia surveys around 800 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 May 2025 saw the recruitment rate increase slightly, continuing the recent trend of higher recruitment activity. In smoothed terms, the recruitment rate is well above the recent low in October 2024.

The increase in the number of recruiting employers (in smoothed terms) has occurred at the same time as other surveys<sup>1</sup> reporting the number of vacancies has been trending downwards. This may, however, be attributed to REOS reporting an increase in employers who have not widely advertised their vacancies on internet jobs boards and have filled their vacancies quickly.

The increasing ability of employers to fill vacancies quickly (in trend terms) is reflected in the long-term downward trend in the recruitment difficulty rate, despite the recent uptick. The decrease in recruitment difficulty rate is particularly prevalent in Capital Cities, while in the Rest of State areas, the rate has remained stable compared with the same period a year ago (in smoothed terms).

## Recruitment activity

In May 2025, the recruitment rate was 50%, 2 percentage points higher than last month. This is the fourth consecutive month with a recruitment rate well above the level experienced in the second half of 2024. The recruitment rate is now 8 percentage points higher than the low of 42% in October 2024.

In the Capital Cities, 49% of employers recruited in May 2025, slightly below the 51% reported in Rest of State areas. In smoothed terms, the recruitment rates for Capital Cities and Rest of State areas are now 7 percentage points and 6 percentage points higher than the low in late 2024, respectively.

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<sup>1</sup> Notably in Jobs and Skills Australia, *Vacancy Report, April 2025* and Australian Bureau of Statistics (ABS), *Job Vacancies, Australia, February 2025*.

## **Recruitment difficulty**

The recent increase in the recruitment rate is not reflected in the recruitment difficulty rate, which decreased by 3 percentage points to 50% of recruiting employers in May 2025. Recruitment difficulty is currently 6 percentage points lower than it was a year ago and is 25 percentage points below the record high of 75% in July 2022.

A lower proportion of recruiting employers experienced recruitment difficulty in the Capital Cities (47%) compared with Rest of State areas (55%) in May 2025. In smoothed terms, the gap between the rates for Capital Cities and Rest of State areas has widened over recent months. Over the past year, the smoothed rate in Capital Cities has declined by 7 percentage points, while the rate in Rest of State areas has remained unchanged.

## **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 decreased by 4 percentage points to 19% in May 2025. This was unchanged compared with a year earlier.

A higher proportion of employers in Capital Cities (19%) were expecting to increase their staffing levels in the next three months compared with Rest of State areas (18%).

Over the month, this figure declined by 2 percentage points in the Capital Cities but remains 2 percentage points higher than a year ago. In Rest of State areas, it fell by 8 percentage points compared with last month and now stands 5 percentage points lower than a year ago.

## **Reason for recruiting**

Recruitment due to staff turnover only was the main reason why employers recruited in May 2025 (accounting for 57% of recruiting employers). Some 30% of recruiting employers aimed to fill new staff positions only, and the remaining 13% were recruiting to fill both new staff and staff turnover positions.

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

Some 12% of employers increased their staff in May 2025. Despite the recent larger than usual fluctuation in the series, this was consistent with the same period last year. Around 10% of employers reported a decrease in their staff numbers over the month, compared with 9% a year ago.

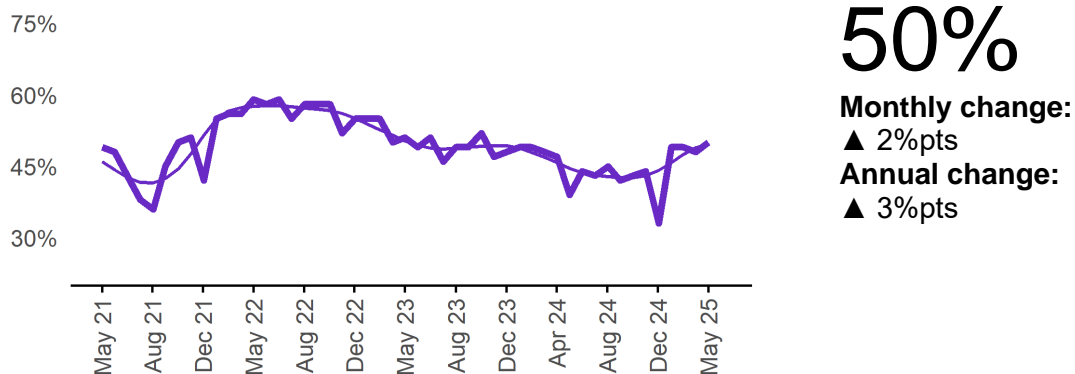
## **Employers unable to fill vacancies in a month**

The proportion of recruiting employers who were unable to fill their vacancies within a month fell by 9 percentage points to 37% in May 2025. This figure is 10 percentage points lower than the 47% recorded in May 2024, and is now just over half the peak in August 2022 (72%).

## REOS national indicators <sup>2</sup>

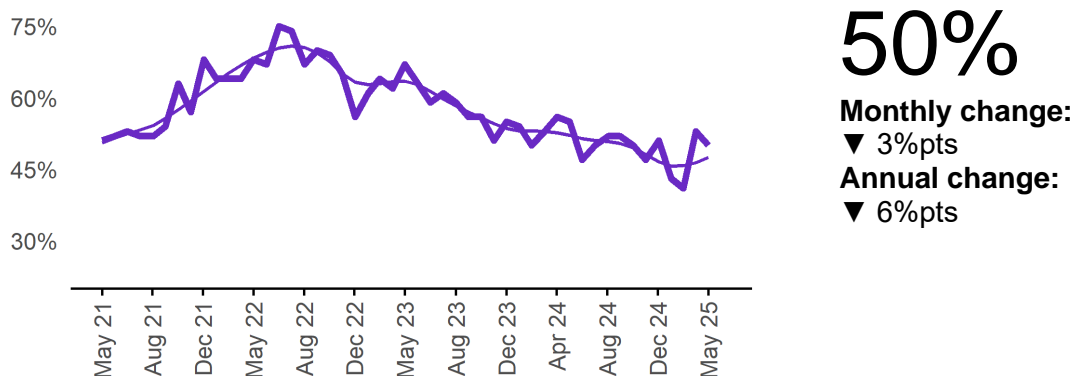
### Recruitment rate

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



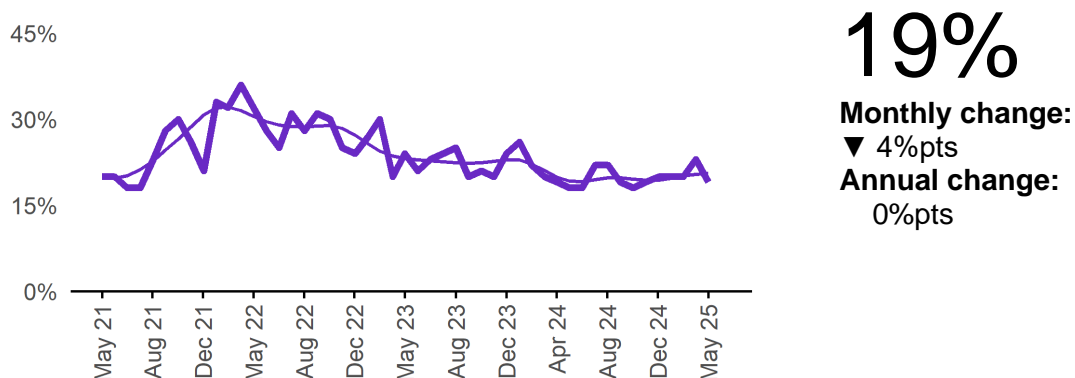
### Recruitment difficulty rate

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



### Expecting to increase staff

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

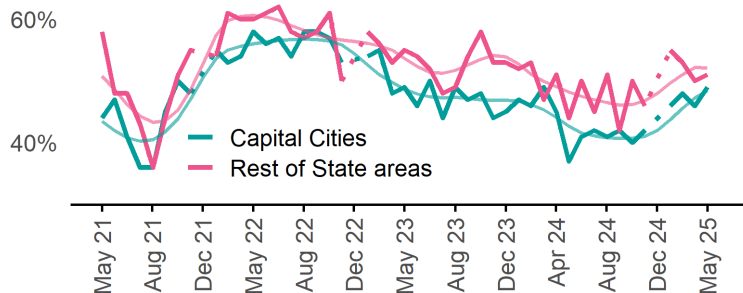


<sup>2</sup> A Henderson smoothed line has been included in the charts to reduce month to month volatility and illustrate long term patterns. See the explanatory note for more information.

## Capital City/Rest of State areas<sup>3</sup>

### Recruitment rate

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



**Capital Cities: 49%**

Monthly change:

▲ 3%pts

Annual change:

▲ 4%pts

**Rest of State: 51%**

Monthly change:

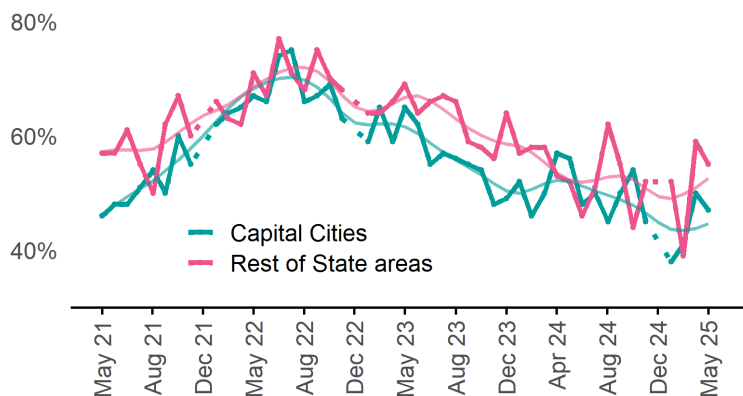
▲ 1%pts

Annual change:

0%pts

### Recruitment difficulty rate

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



**Capital Cities: 47%**

Monthly change:

▼ 3%pts

Annual change:

▼ 10%pts

**Rest of State: 55%**

Monthly change:

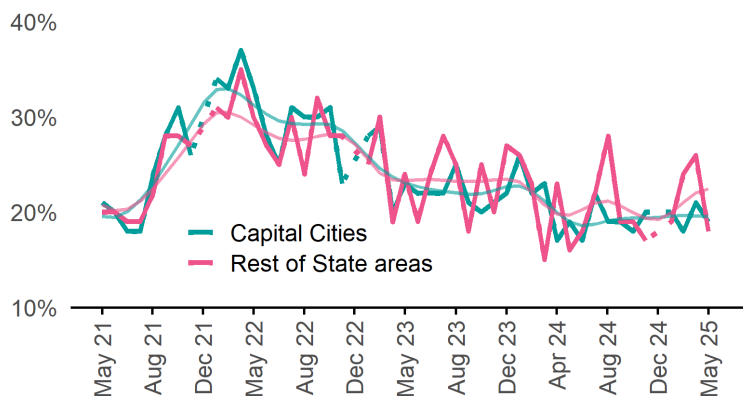
▼ 4%pts

Annual change:

▲ 2%pts

### Staffing outlook – Expecting to increase staff

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



**Capital Cities: 19%**

Monthly change:

▼ 2%pts

Annual change:

▲ 2%pts

**Rest of State: 18%**

Monthly change:

▼ 8%pts

Annual change:

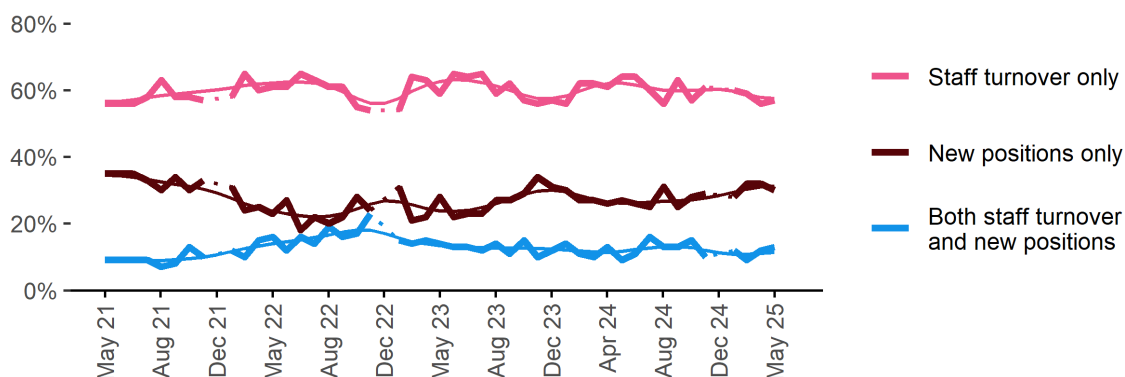
▼ 5%pts

<sup>3</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

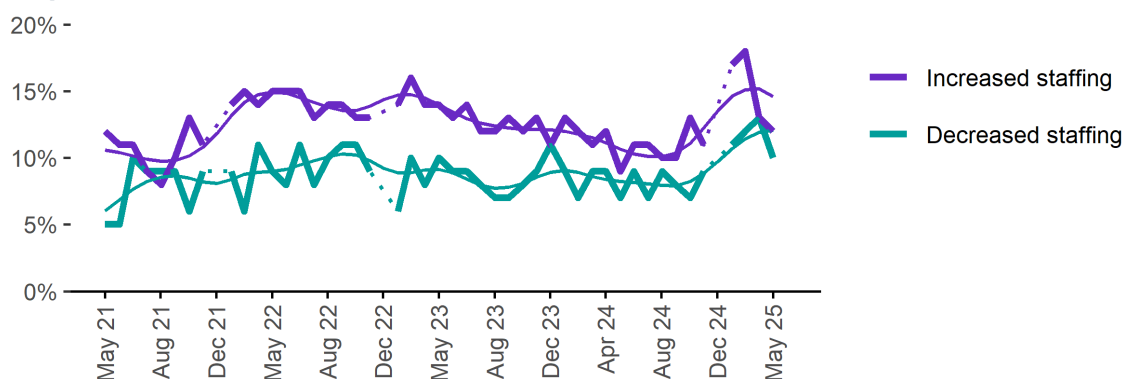
### Reason for recruiting

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



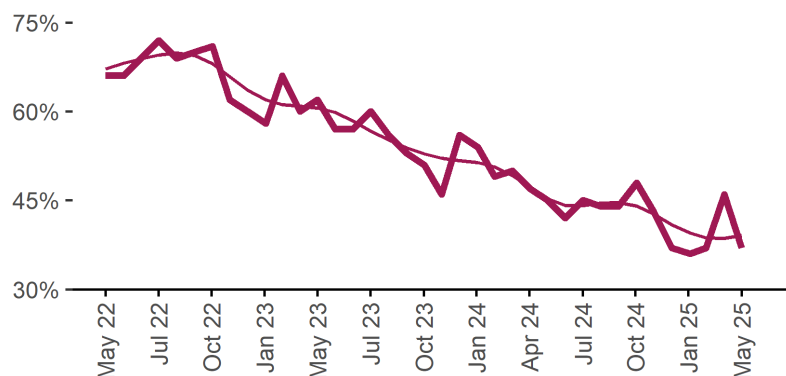
### Staffing changes over the last month

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



### Employers unable to fill vacancies within a month

Proportion of recruiting employers who were unable to fill their vacancies within a month.\*



**37%**

Monthly change:

▼ 9%pts

Annual change:

▼ 10%pts

\* 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 800 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. Details of the survey methodology can be accessed from the JSA website.

## 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, May 2025.

## 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:

- June 2025 Recruitment Insights Report – 15 July 2025

## 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:

- How recruitment challenges impact businesses – 26 June 2025

### Recent spotlights:

- REOS Spotlight - March quarter 2025 results – 8 May 2025
- Employers' experiences of young job applicants – 6 March 2025