



# REOS Recruitment Insights Report - August 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**

Recruitment indicators this month suggest stabilising employer demand nationally and some easing in Rest of State areas. The smoothed recruitment rate is plateauing after recent growth — declining in Rest of State areas but still rising in Capital Cities.

Overall, recruitment difficulty and the share of employers increasing staff recorded very marginal movements over the month. Compared to last year, recruitment difficulty is lower, while staff increases remain higher. Over the month, employers found it increasingly difficult to fill vacancies quickly, reflected in a higher share of recruiting employers with roles remaining unfilled for more than a month. This trend was more pronounced in Rest of State areas, where a larger proportion of recruiting employers had roles unfilled for over a month compared with those in Capital Cities.

Encouragingly, the proportion of employers expecting to increase their staffing levels over the next three months increased to its highest level since February 2024 — driven by a large increase for employers in Capital Cities.

## **Recruitment activity**

In August 2025, the recruitment rate remained unchanged at 50%. Despite this lack of movement over the month, the rate is now 7 percentage points higher than the same period last year.

Recruitment activity varied across regions in August 2025. In Capital Cities, the recruitment rate increased by 3 percentage points to 52%. In contrast, the recruitment rate in Rest of State areas decreased by 3 percentage points to 48%. Compared to a year ago, the recruitment rate in Capital Cities has increased by 10 percentage points, while Rest of State areas have seen a more modest increase of 3 percentage points.

## **Recruitment difficulty**

The recruitment difficulty rate increased marginally by 1 percentage point to 40% of recruiting employers in August 2025. Despite this slight increase, it remains 10 percentage points lower than it was a year ago.

In August 2025, a lower proportion of recruiting employers experienced recruitment difficulty in Capital Cities (37%) compared with Rest of State areas (45%). In Capital Cities, recruitment difficulty decreased by 1 percentage point over the month and now stands 13 percentage points lower than a year ago. Conversely, in Rest of State areas, the decrease in recruitment rate over the month was accompanied by an increase of 2 percentage points in the recruitment difficulty rate, although it remains 6 percentage points lower than in August 2024.

## Staffing outlook: employers expecting to increase staff

After three months of no change, the proportion of employers expecting to increase their staffing numbers in the next three months increased by 6 percentage points to 25% in August 2025. This was 3 percentage points higher than a year earlier but remains lower than the peak of 36% in April 2022.

In August 2025, a higher proportion of employers in Capital Cities (27%) expected to increase their staffing levels in the next three months compared with Rest of State areas (22%). Over the month, this figure increased by 8 percentage points in Capital Cities and now stands 5 percentage points higher than a year ago. Similarly, this figure increased by 3 percentage points in Rest of State areas but remains unchanged compared with August 2024.

## Reason for recruiting

In August 2025, the proportion of employers recruiting to replace staff decreased by 2 percentage points to 57%. However, staff turnover continues to remain the primary reason for recruitment among surveyed employers. Meanwhile, 28% of recruiting employers were hiring solely for new positions (down 1 percentage point from the previous month). An additional 15% were recruiting to fill both turnover and new positions, which was up by 4 percentage points over the month.

#### Staffing changes over the last month

Some 15% of surveyed employers increased their staff in August 2025, showing a decrease of 1 percentage point compared to last month and 4 percentage points higher than a year ago. Meanwhile, the proportion of employers reducing staffing levels increased by 3 percentage points over the month to 12% in August 2025, compared with 7% of employers a year ago.

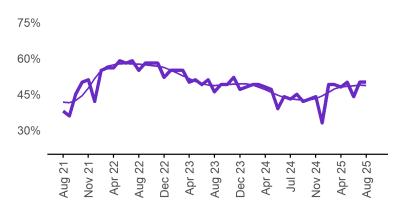
#### Employers unable to fill vacancies in a month

The proportion of recruiting employers unable to fill their vacancies within a month increased by 6 percentage points to 42% in August 2025. This figure is 3 percentage points lower than the 45% recorded in August 2024.

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

#### Recruitment rate

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



50%

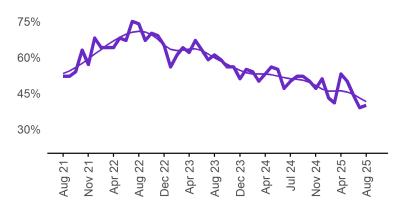
Monthly change: 0%pts

**Annual change:** 

▲ 7%pts

## Recruitment difficulty rate

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



40%

Monthly change:

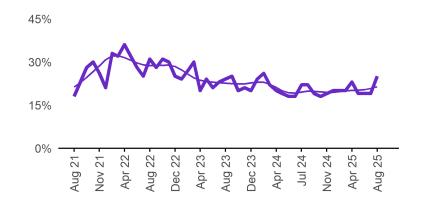
▲ 1%pt

Annual change:

**▼** 10%pts

## **Expecting to increase staff**

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



25%

Monthly change:

▲ 6%pts

Annual change:

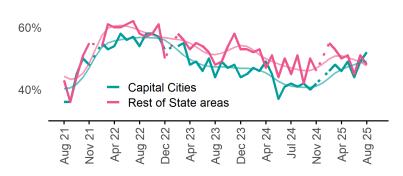
▲ 3%pts

<sup>&</sup>lt;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: 52% Monthly change:

▲ 3%pts Annual change:

▲ 10%pts Rest of State: 48%

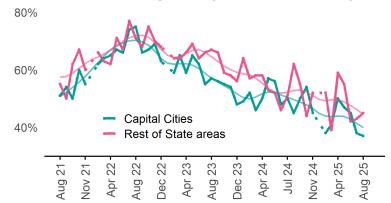
Monthly change: ▼ 3%pts

Annual change:

▲ 3%pts

## Recruitment difficulty rate

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



Capital Cities: 37% Monthly change:

▼ 1%pt

Annual change:

▼ 13%pts

Rest of State: 45%

Monthly change:

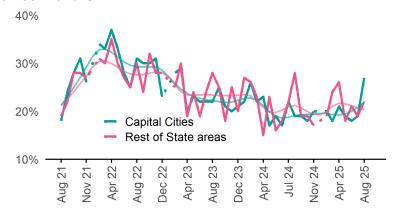
▲ 2%pts

Annual change:

▼ 6%pts

## Staffing outlook – Expecting to increase staff

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



Capital Cities: 27%

Monthly change: ▲ 8%pts

Annual change:

▲ 5%pts

Rest of State: 22% Monthly change:

▲ 3%pts

Annual change:

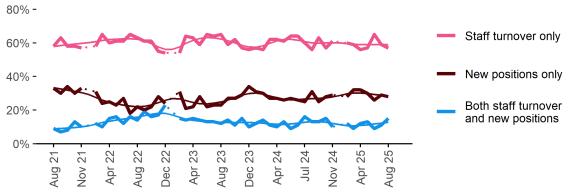
0%pts

<sup>&</sup>lt;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

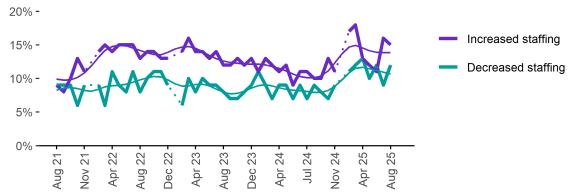
## Reason for recruiting

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



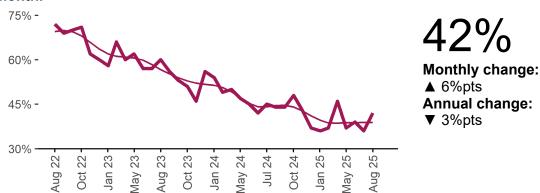
## Staffing changes over the last month

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



## Employers unable to fill vacancies within a month

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



<sup>\*</sup> 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 <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 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, August 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:**

• September 2025 Recruitment Insights Report – 14 October 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. <u>Sign up</u> and get the Recruitment Insights Report notifications sent straight to your inbox.

#### **Upcoming spotlight:**

September quarter 2025 results – 23 October 2025

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