



Recruitment Insights Report – June 2023

June 2023
Recruitment activity¹
49%

Monthly change: ▼2% pts
Yearly change: ▼9% pts

June 2023
Recruitment difficulty rate²
63%

Monthly change: ▼4% pts
Yearly change: ▼4% pts

June 2023
Expect to increase staff³
21%

Monthly change: ▼3% pts
Yearly change: ▼7% pts

Key findings from the Recruitment Experiences and Outlook Survey (REOS)

- Results from the June 2023 REOS indicate that recruitment conditions have softened over the month. Recruitment activity, recruitment difficulty and expectations to increase staff all eased over the month, largely reversing the increases recorded the previous month.
- In June 2023, recruitment activity fell by 2 percentage points over the month with 49% of employers recruiting – 10 percentage points lower than the peaks recorded around this time last year (the series peaked at 59% in May and July 2022). The recruitment activity rate currently stands at its lowest level since January 2022.
 - In Capital Cities, 46% of employers recruited in June 2023, a decrease of 3 percentage points over the month and 10 percentage points lower than in June 2022.
 - By contrast, recruitment activity in Rest of State areas fell by 1 percentage point over the month to 54%. Recruitment activity in Rest of State areas is 7 percentage points lower than a year ago.
- There was a fall in the proportion of employers recruiting for new positions only (down by 6 percentage points to 22%), while the proportion of employers recruiting to replace staff (turnover) rose by 6 percentage points to 65%.
- The proportion of employers who reported *increasing* their staffing levels over the last month declined slightly, by 1 percentage point to 13% in June 2023, while those who reported *decreasing* staff also fell by 1 percentage point, to 9% in June 2023.
- The recruitment difficulty rate fell by 4 percentage points, to 63% of recruiting employers in June 2023 (representing 30% of *all* employers). The recruitment difficulty rate currently stands 12 percentage points below the peak of 75% recorded in July 2022.
 - In Capital Cities, 62% of recruiting employers had recruitment difficulty, down by 3 percentage points over the month.
 - In Rest of State areas recruitment difficulty decreased by 5 percentage points, to 64% in June 2023.
- The proportion of employers who expected to increase staffing levels over the next 3 months declined by 3 percentage points, to 21% in June 2023. While this series can fluctuate from month to month, staffing expectations remain at low levels compared with the highs recorded in early to mid 2022.
 - A small proportion (3%) of employers expected to decrease staff in the next 3 months, remaining steady from last month.

¹ Recruitment activity (or the 'recruitment rate') is the proportion of all employers who are either currently recruiting or who had recruited in the previous month.

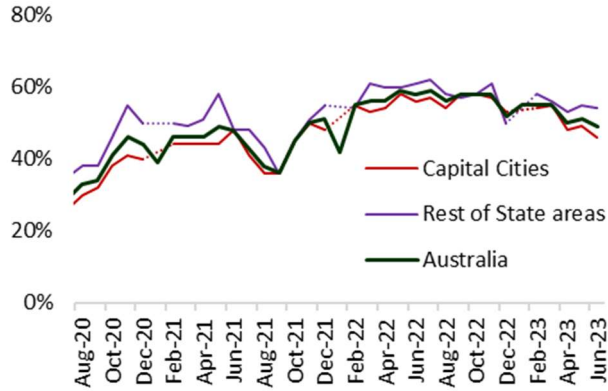
² The 'recruitment difficulty rate' is the proportion of recruiting employers who experienced difficulty hiring staff in their most recent recruitment round.

³ The 'expect to increase staff' figure is the proportion of all employers who expect to increase staff numbers over the next three months.

Recruitment indicators – key charts

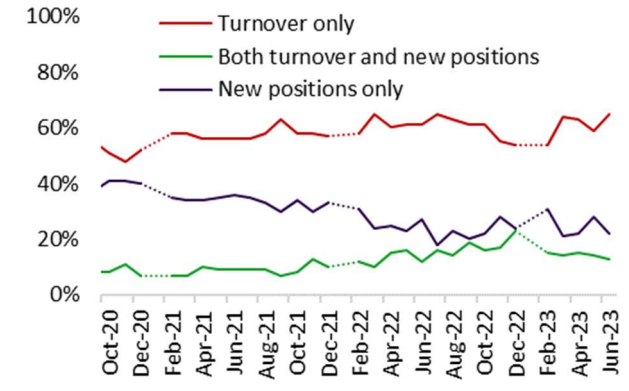
Recruitment activity

Proportion of employers



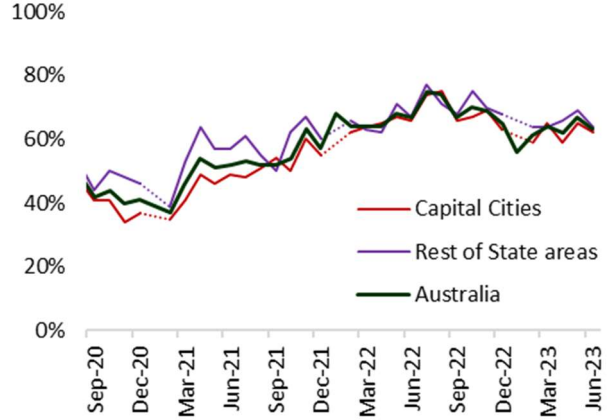
Reasons for recruitment

Proportion of recruiting employers



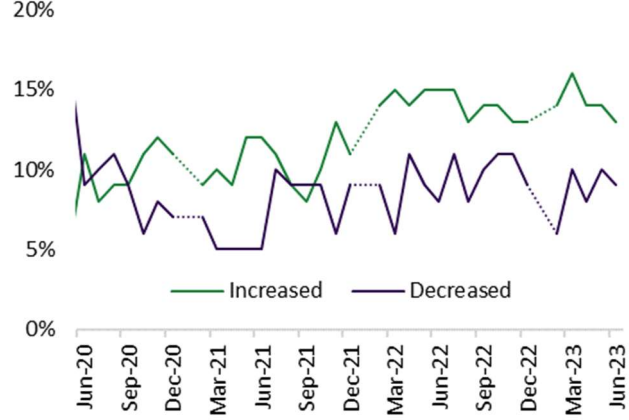
Recruitment difficulty

Proportion of recruiting employers



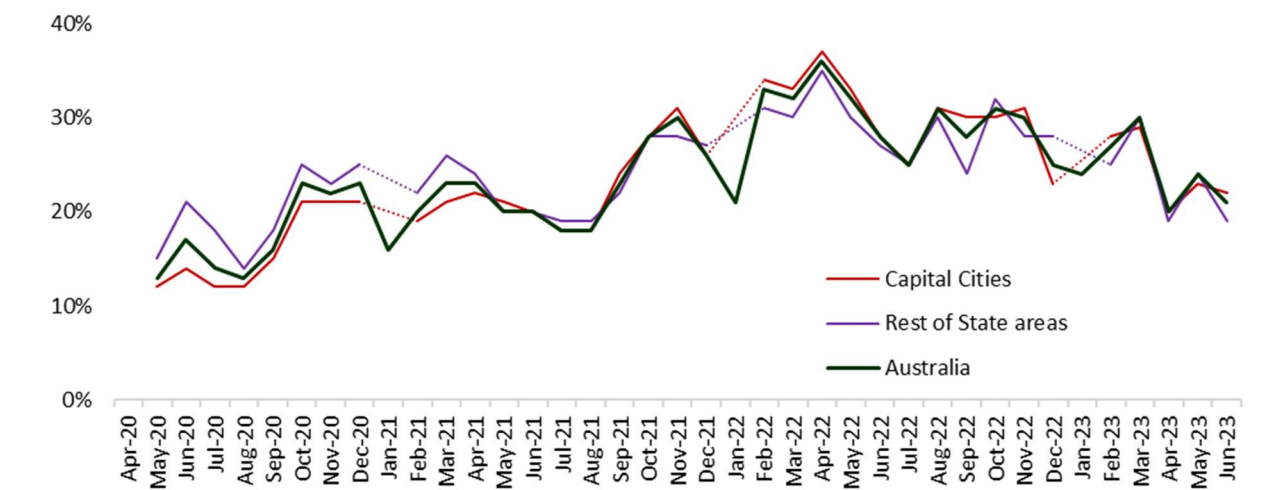
Increased / decreased staff over the past month

Proportion of employers



Employers who expect to increase staff numbers over the next 3 months

Proportion of employers



Note: Some disaggregated data are not available for January 2021, 2022, and 2023. Data points have been joined by a dotted line between December and February to reflect this.

Recruitment indicators: June 2023 quarterly results

This section provides REOS quarterly results by industry, state and area, in addition to an occupational breakdown for the recruitment difficulty rate. These results are released on a quarterly basis, in the March, June, September, and December editions of the Recruitment Insights Report.

Recruitment activity

Recruitment rates by state⁴

During the June quarter 2023:

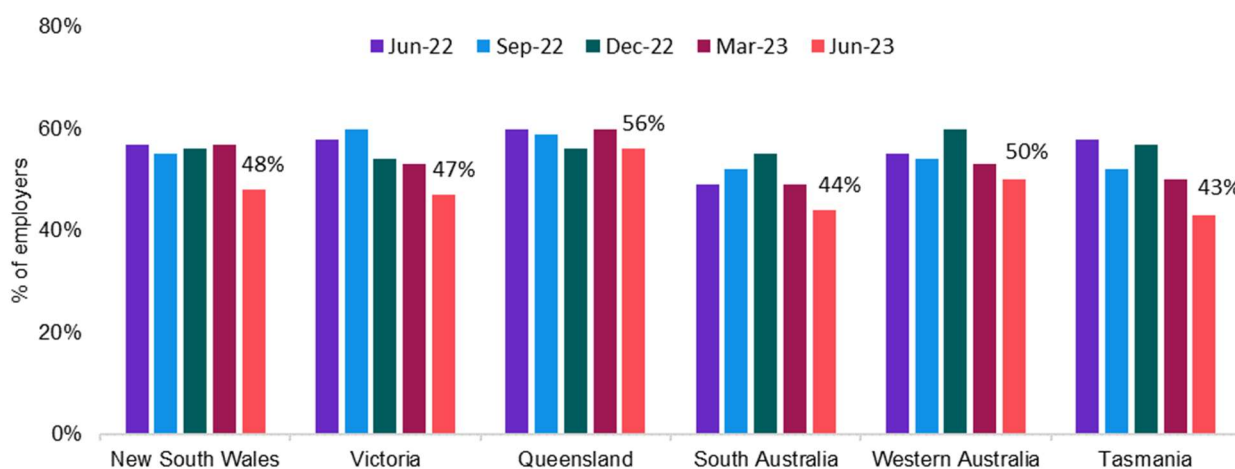
- At 56%, Queensland had the highest proportion of employers recruiting, however this was 4 percentage points lower than in the previous quarter. At 50%, Western Australia was the second highest recruiting state. See Figure 1 below.
- New South Wales (48%) and Tasmania (43%) both had the sharpest decreases in quarterly recruitment activity and the lowest quarterly recruitment rates, declining by 9 percentage points in New South Wales over the quarter, and falling by 7 percentage points in Tasmania.

Over the year to June quarter 2023:

- The largest annual decreases were in Tasmania and Victoria, with Tasmania decreasing by 15 percentage points and Victoria decreasing by 11 percentage points since the March quarter 2022.

Figure 1: Recruitment rates by state

Proportion of employers



Recruitment rates by remoteness (ARIA)⁵

Nationally, 50% of employers recruited in the June quarter 2023, 6 percentage points lower than in the March quarter 2023. Key findings by area in the June 2023 quarter were:

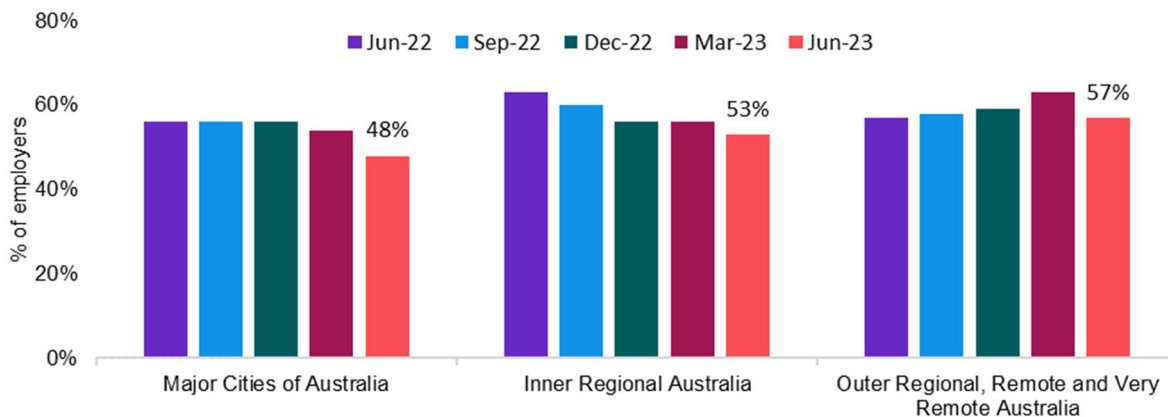
- The quarterly recruitment rate for Major Cities fell to 48%, down by 6 percentage points from the previous quarter (see Figure 2).
- The quarterly recruitment rate in Inner Regional Australia was 53%, decreasing by 3 percentage points from the previous quarter, and continuing a general decline over the last year.
- At 57%, Outer Regional, Remote, and Very Remote Australia had the highest recruitment rate, despite falling by 6 percentage points since the last quarter.

⁴ The Northern Territory and Australian Capital Territory are not reported due to small sample sizes.

⁵ This classification is based on the Accessibility and Remoteness Index of Australia (ARIA), which consists of 5 'Remoteness Areas': Major Cities of Australia, Inner Regional Australia, Outer Regional Australia, Remote Australia, and Very Remote Australia. In this analysis, Outer Regional Australia, Remote Australia, and Very Remote Australia have been combined into one category due to small sample sizes. For further information please see [Remoteness Structure | Australian Bureau of Statistics \(abs.gov.au\)](https://www.abs.gov.au/remoteness-structure).

The largest decrease over the year to the June quarter 2023 was in Inner Regional Australia, which fell by 10 percentage points. The recruitment rate in Major Cities of Australia decreased by 8 percentage points over the same period and has been falling for two consecutive quarters.

Figure 2: Recruitment rates by remoteness (ARIA)
Proportion of employers

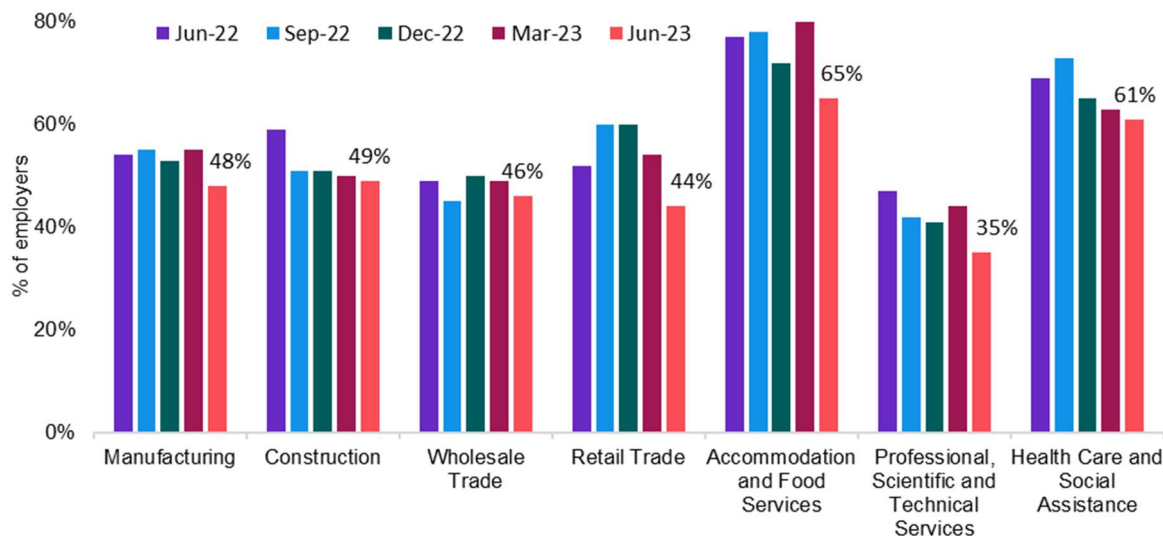


Recruitment rates by selected industries⁶

- All reportable industries recorded a decline in their recruitment rate over both the quarter and the year (Figure 3).
- At 65% in June quarter 2023, Accommodation and Food Services continued to record the highest recruitment rate, despite falling by 15 percentage points since last quarter - the largest quarterly decrease of all reportable industries.
- The quarterly recruitment rate for Retail Trade fell by 10 percentage points to 44%, the second largest quarterly decrease of reportable industries.
- Professional, Scientific, and Technical Services (35%), had the lowest quarterly recruitment rate. This was 9 percentage points lower than in the March quarter 2023.

All reportable industries had an annual decrease in their quarterly recruitment rates. The largest declines were in Accommodation and Food Services, falling to 65%; and Professional, Scientific and Technical Services falling to 35% (each decreasing by 12 percentage points).

Figure 3: Recruitment rates by selected industries
Proportion of employers



⁶ Selected industries include those with sufficient sample size to be reported on a quarterly basis.

Recruitment difficulty rate

Recruitment difficulty rates by state

In the June quarter 2023,

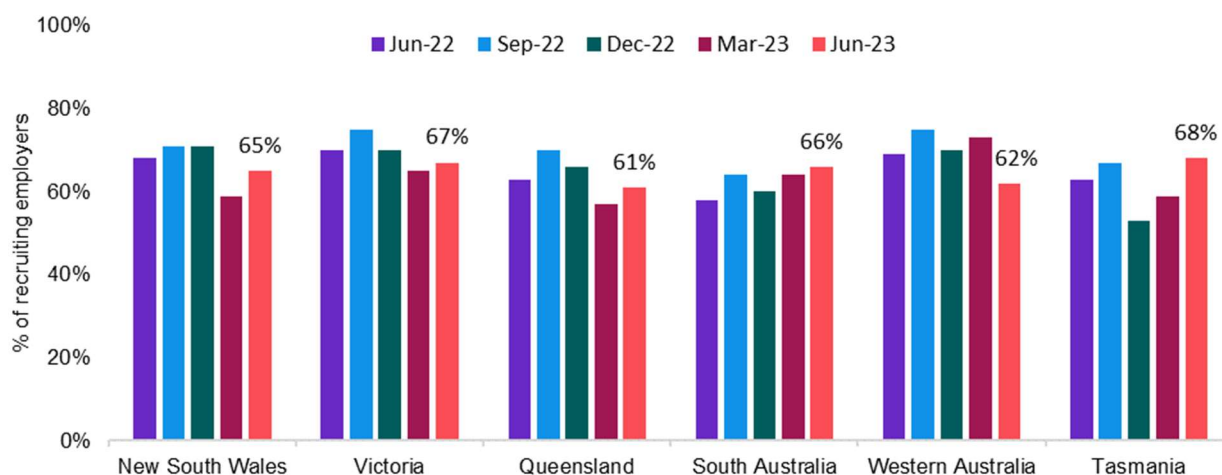
- At 68%, the highest quarterly recruitment difficulty rate was in Tasmania, also recording the largest quarterly increase of 9 percentage points (see Figure 4).
- The quarterly recruitment difficulty rate rose in all states except for Western Australia, where it decreased significantly by 11 percentage points to 62% of recruiting employers.
- Queensland had the lowest proportion of recruiting employers with recruitment difficulty at 61%.

Over the year to the June quarter 2023,

- The largest change in the recruitment difficulty rate was in South Australia, where difficulty rose by 8 percentage points.
- Western Australia recorded the largest decline in difficulty over this time, falling by 7 percentage points to 62% of recruiting employers.

Figure 4: Recruitment difficulty rates by State

Proportion of recruiting employers



Recruitment difficulty rates by remoteness (ARIA)

In the June quarter 2023, recruitment difficulty:

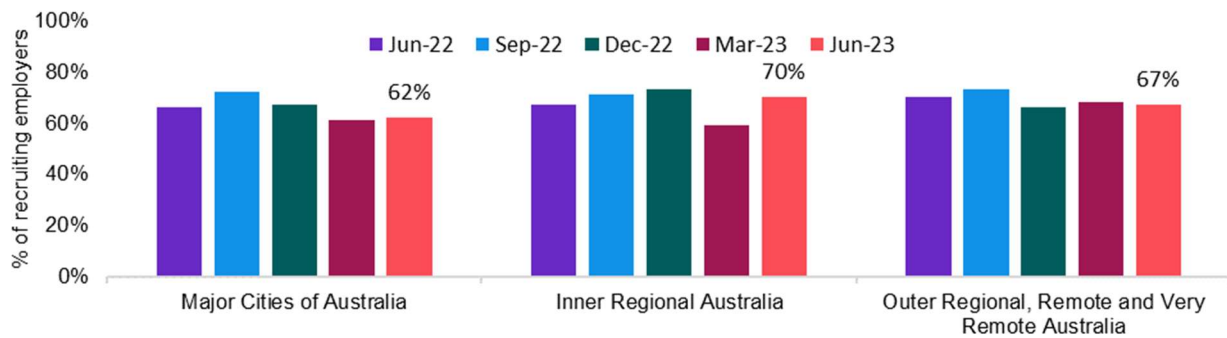
- Increased significantly in Inner Regional Australia, up by 11 percentage points to 70%. In Major Cities of Australia, it increased by 1 percentage point to 62%. See Figure 5 below.
- Decreased slightly, by 1 percentage point, to 67% of recruiting employers in Outer Regional, Remote, and Very Remote Australia.

Over the year to the June quarter 2023,

- The recruitment difficulty rate eased in both: Major Cities of Australia, down by 4 percentage points; and in Outer Regional, Remote, and Very Remote Australia, down by 3 percentage points.
- Recruitment difficulty increased in Inner Regional Australia (70%) by 3 percentage points.

Figure 5: Recruitment difficulty rates by remoteness (ARIA)

Proportion of recruiting employers



Recruitment difficulty rates by selected industries

In the June quarter 2023,

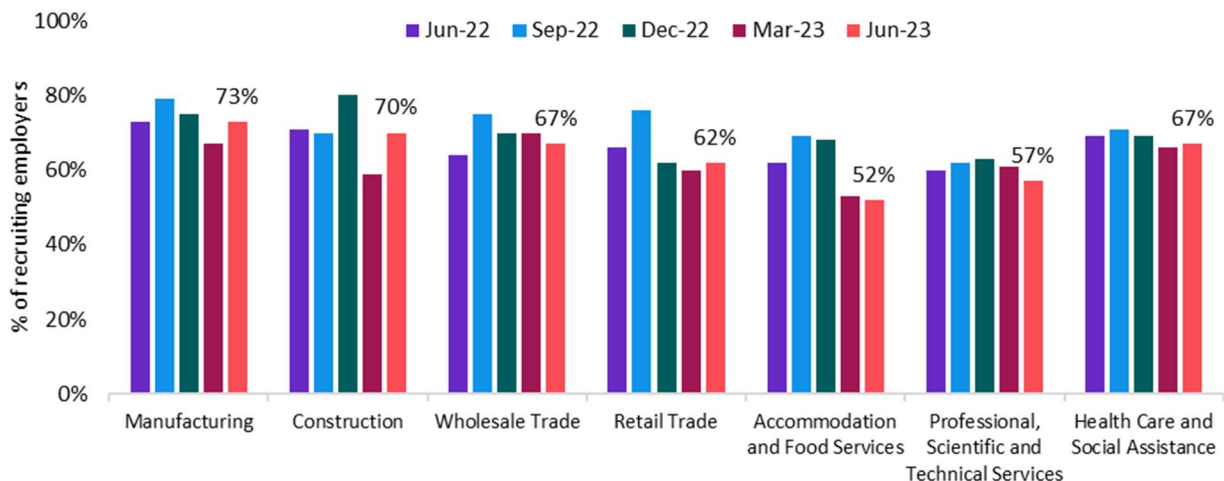
- As shown in Figure 6 below, recruitment difficulty was highest for Manufacturing at 73%, followed by Construction (70%). The lowest quarterly recruitment difficulty rates were recorded for Accommodation and Food Services (52%) and Professional, Scientific and Technical Services (57%).

Over the year to the June quarter 2023,

- Employers had less difficulty recruiting in the June quarter 2023 than the same time last year for most reportable industries. The greatest difference was for Accommodation and Food Services, down by 10 percentage points from 62% in the June quarter 2022.

Figure 6: Recruitment difficulty rates by selected industries

Proportion of recruiting employers



Recruitment difficulty rates by occupation

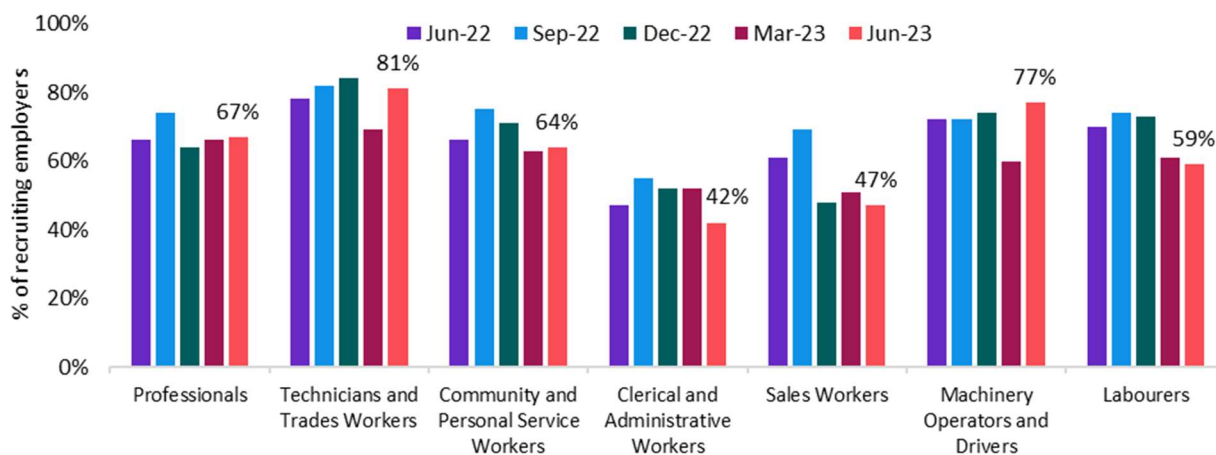
In the June quarter 2023,

- At 81%, employers recruiting for Technicians and Trades Workers had the highest recruitment difficulty rate, rising by 12 percentage points (Figure 7). Machinery Operators and Drivers also increased significantly from March 2023, by 17 percentage points to 77% (noting that last quarter's result was based on a slightly smaller reporting sample and could be an aberration).
- There was a significant decrease in recruitment difficulty for Clerical and Administrative Workers from the previous quarter, falling by 10 percentage points to 42%, the lowest difficulty rate of all occupations.
 - At 47%, Sales Workers had the second lowest rate of difficulty recruiting.

Compared with the June quarter 2022,

- Some occupation groups experienced lower rates of recruitment difficulty in the June quarter 2023 compared with the same period last year. The occupations where recruitment difficulty increased were Machinery Operators and Drivers, Technicians and Trades Workers, and Professionals.

Figure 7: Recruitment difficulty rates by occupation group
Proportion of recruiting employers

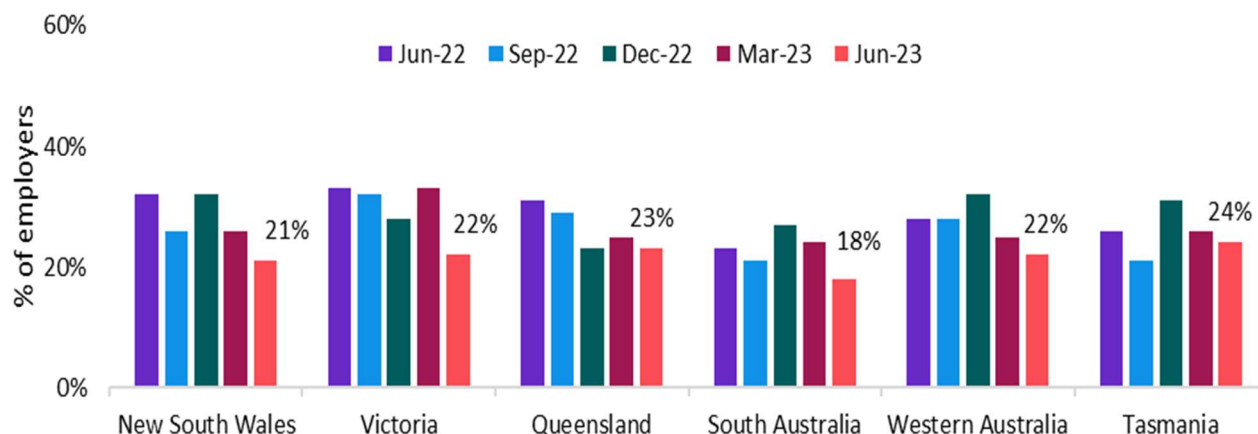


Expectations to increase staff numbers over the next 3 months

Expectations to increase staff by state

- The proportion of employers who expected to increase their staffing levels in the next 3 months decreased in all states over the last quarter (see Figure 8).
- Expectations to increase staff over the next 3 months fell most significantly for employers in Victoria and South Australia over the quarter. For Victoria, the rate fell by 11 percentage points to 22%; and for South Australia, the rate fell by 6 percentage points to 18%.
- The largest annual changes in the proportion of employers expecting to increase staff in the next 3 months were in New South Wales (21%) and Victoria (22%), both down by 11 percentage points from the June quarter 2022.

Figure 8: Expectations to increase staff numbers by state
Proportion of employers



Expectations to increase staff by remoteness (ARIA)

Over the June quarter 2023,

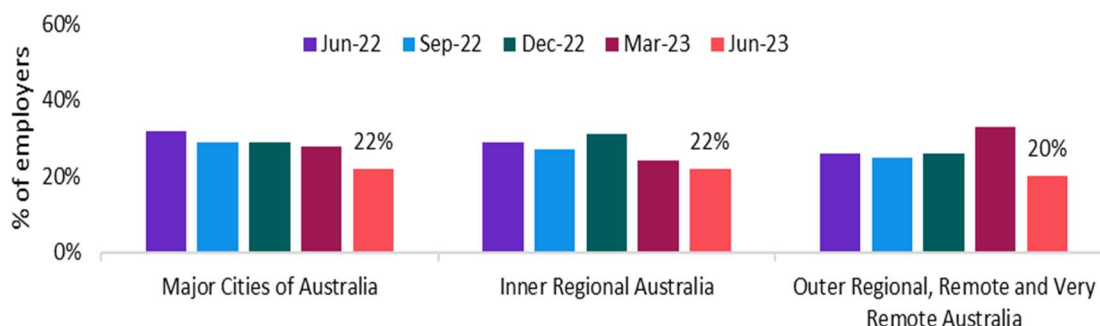
- The proportion of employers who expected to increase staffing levels in the next 3 months eased in all areas, falling significantly in Outer Regional, Remote, and Very Remote Australia, down by 13 percentage points to 20%. See Figure 9 below.

Over the year to June quarter 2023,

- The proportion of employers who expected to increase staffing levels in the next 3 months decreased across each of the reported ARIA regions, with the largest decrease being in Major Cities of Australia, down by 10 percentage points over the year.

Figure 9: Expectations to increase staff numbers by remoteness (ARIA)

Proportion of employers



Expectations to increase staff by selected industries

Over the June quarter 2023,

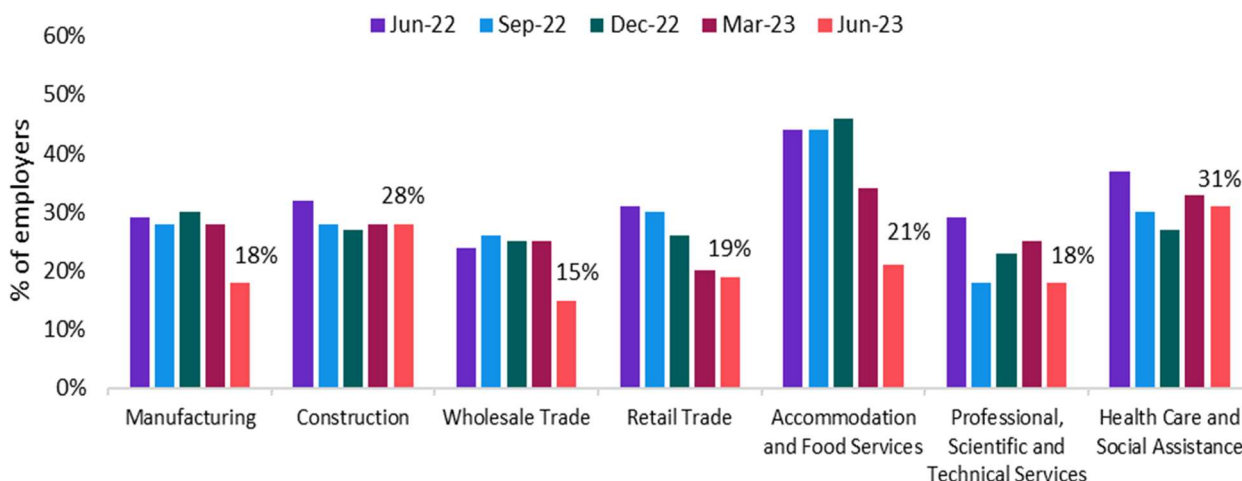
- The proportion of employers expecting to increase staffing levels in the next 3 months declined for all reportable industries except for Construction, which was steady (see Figure 10).
- The proportion of employers expecting to increase staffing levels in the next 3 months eased significantly for Accommodation and Food Services, down by 13 percentage points to 21%. This is more than half the peaks of 44% to 46% recorded during 2022.
- At 15%, Wholesale Trade had the smallest proportion of employers who expected to increase their staffing levels in the next 3 months.

Over the year to June quarter 2023,

- The largest decreases were recorded for Accommodation and Foods Services, down by 23 percentage points to 21%; Retail Trade, down by 12% percentage points to 19%; Professional, Scientific, and Technical Services and Manufacturing, both down by 11 percentage points to 18%.

Figure 10: Expectations to increase staff numbers by selected industries

Proportion of employers



REOS publications

The *Recruitment Insights Report* provides key findings from the Recruitment Experiences and Outlook Survey each month, usually published on the 3rd Tuesday of the month (referencing data up to the month prior, e.g. June 2023 data is published on 18 July 2023). More detailed quarterly results by industry, state, area and occupation are included in the March, June, September, and December editions.

In addition to the key indicators published in the monthly report, the REOS collects a large volume of data on a range of other recruitment related issues. These topics are explored in the *REOS Spotlight and Research* series. Spotlights were previously included in the monthly report but will now be released separately. These are produced most months and will be published on the first Monday of the month. The next Spotlight will focus on entry level vacancies and will be released on 7 August 2023.

These reports are available on the REOS page of the Jobs and Skills Australia website:

<https://www.jobsandskills.gov.au/work/recruitment-experiences-and-outlook-survey>

Technical notes

The *Recruitment Experiences and Outlook Survey* (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:

- 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.

Recruitment Experiences and Outlook Survey - Background

Jobs and Skills Australia 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. At least 1,000 employers are surveyed each month, with data published on the [Jobs and Skills Australia website](#) (jobsandskills.gov.au). 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.

REOS results may not reflect the full impact of COVID-19 and the associated restrictions on employers and their recruitment experiences, as the survey was unable to gather data from employers who closed down (even temporarily). During the height of the pandemic, response rates varied significantly by industry, and by area, as different lockdown restrictions were applied.

Note that data collection pauses over the Christmas and holiday period as follows:

- 21 December 2020 to 8 January 2021
- 18 December 2021 to 7 January 2022
- 17 December 2022 to 9 January 2023.

Data in this release should be referenced as: *Jobs and Skills Australia, Recruitment Insights Report, June 2023*.

For additional information, email REOS@jobsandskills.gov.au