

Australian Government



Employers' experiences of young job applicants

Findings from the Recruitment Experiences and Outlook Survey

6 March 2025



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Youth jobseekers

Introduction

The transition from education to employment is a critical phase for young people and this process is *everyone's core business*¹ to support a smooth transition for young people. While young job applicants often bring enthusiasm, creativity and fresh perspectives, employers may encounter challenges related to their skills, work experience and other jobs requirements. Many studies have indicated that young people face several challenges transitioning from education to work and identified several risk factors related to unsuccessful shifts in employment.² With the youth unemployment rate now at 9 per cent³ (for people aged between 15-24 years), more than double the national unemployment rate (4 per cent),⁴ and a rising number of young people considered not in employment, education, or training (NEET),⁵ the transition has become even more difficult.

In addition, labour market outcomes for young people are more sensitive to economic downturns and recoveries. According to e61 Institute on Vulnerable Youth,⁶ a growing number of young people are working in lower-skilled service roles,⁷ with the highest share in these jobs. This reflects a trend of young people taking on more part-time work alongside further education or as their first jobs after completing secondary education.⁸

In response to the challenges faced by young people entering the workforce and help improving employment outcome of young people, Jobs and Skills Australia, as part of its *Recruitment Experiences and Outlook Survey (REOS)*, run an additional module to ask employers about their experiences in hiring a young jobseeker aged 15 to 24 years. Data was collected from employers across Australia on their experiences with young job applicants, including factors contributing to successful and unsuccessful job placements of young jobseekers and the kinds of programs employers typically used to assist successful young job applicants into the workforce.

While there are not many surveys about young job applicants from employers' perspective, this module is important as it captures their view on young jobseekers, providing a more complete picture about youth employment from both sides.⁹

 ¹ Everybody's Core Business – Research into the non-technical capabilities needed for successful participation in work and further study – Department of Education, Australian Government.
² Youth transition after school, Melbourne Institute (Melbourne- Institute-Compendium-2022-Chapter)

^{7).}

³ Labour Force Survey, December 2024, Table 13.

⁴ Labour Force Survey, January 2025, Table 1.

⁵ According to research on labour market outcomes for younger people (Zoya Dhillon and Natasha Cassidy, 2018), the share of 20–24 year olds that have become disengaged from either work or study has also increased in recent years.

⁶ Vulnerable Youth, e61 Institute.

⁷ Employment opportunities for young people are primarily in services, specifically in hospitality, food preparation and sales assistant roles.

⁸ The increase in labour force participation and increased prevalence of part-time work for younger Australians is partly related to the increase in the share of 15–24 year olds who are studying full time. However, in recent years there has been a pronounced increase in the share of 20–24 year olds working part time who are not studying full time. This has been associated with a significant rise in the share of younger workers who are underemployed (that is, they want, and are available, to work additional hours).

⁹ Majority of data about youth employment referenced in this report was from Labour Force Survey, which represents employees' perspective.

Results from the module were presented in this report to reflect some notable experiences employers had when hiring young people. The report also demonstrates findings about some of the skills and qualities employers value the most from young applicants and the usual challenges faced during the recruitment process when hiring young people. Understanding employers' experiences with young job applicants is crucial to bridging the gap between education systems, workforce expectations and successful career pathways for young people.

Key Findings

- At the completion of the module, 2,502 employers had been asked if they had young applicants (aged between 15 to 24 years) over the last 12 months. Of these, 1,454 or 58% reported having young applicants.
- 82% of employers who had applications from young people ended up hiring at least one young person. Medium and large businesses were more likely to have a successful young applicant than the small ones.
- Some 47% of employers reported that they specifically hired young applicants for their vacancies, while some employers did not target young jobseekers to fill their vacancies or would hire the best candidate for the job (31% and 21%, respectively).
- Some occupations were targeted by young jobseekers, and employers in these occupations are more likely to hire young people than others. The three most common occupations were Sales Workers, Community and Personal Service Workers and Labourers.
- Skills and qualities employers value the most from young jobseekers include the right attitude, good communication skills and relevant experience for the job. Employers placed the highest value on applicants demonstrating the right attitude (60%).
- Only 18% of businesses accessed programmes and subsidies when taking on young applicants. The 76% of employers having young applicants ended up hiring at least one young person for the role without accessing programmes and/or subsidies suggests that the lack of an uptake of program or incentives are not impacting the employment of young applicants once they are found suitable to start their employment.
- Recruitment methods used when hiring young people were quite different from the overall recruitment process, where *Internet job boards, Word of mouth* and *Jobseekers approached* employers directly were the three most popular methods used for recruiting young applicants.
- Only 34% of employers required young job applicants to undertake a work trial. Accommodation and Food Services, Other Services, Manufacturing and Health Care and Social Assistance were the most common industries where a young job applicant was required to do a work trial.

Survey Findings

Overview of the Youth module

The Youth module was undertaken between June and September 2024 when a temporary set of supplementary questions were added to the REOS. During this time interviewers spoke with over 2,500 employers who were both directly involved with the recruitment of staff and could recall having at least one young job applicant aged between 15 to 24 years in the previous 12 months.

The module was designed to capture employers' experiences with young job applicants and their expectation from young jobseekers, including a work trial if being selected for the role. The module also captures whether employers were specifically targeting young applicants for certain positions and whether government incentives were used to assist employers hiring young workers.

A key issue to consider as part of this research is the ability of employers to be able to identify the background characteristics of job applicants, and whether they would know if an applicant was aged between 15 to 24 years. It is important to note that findings in this report reflect the employer perceptions toward young job seekers and experiences when recruiting them. Therefore, some caution is needed when interpreting the results to avoid bias (see the Methodology notes for more information).

Who responded to the survey

Of the employers that participated in the research, 58% reported having young applicants aged 15-24 years. Large businesses were more likely to report having young applicants (Figure 1).

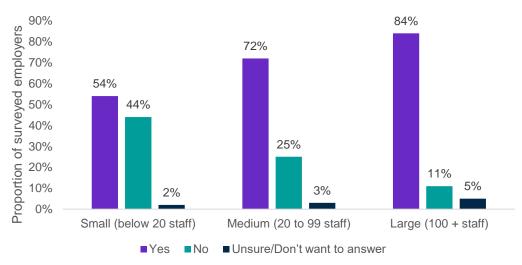


Figure 1. Businesses with a young applicant in the past 12 months, by business size

Source: Recruitment Experiences and Outlook Survey, the Youth module 2024

Of the employers that had young applicants apply for their vacancies, 82% reported that at least one young applicant was successful (this rate will be referred to as *hiring rate* hereafter), 15% reported that the applicant was unsuccessful, and 3% were unsure whether the applicant was successful. Notably, the proportion of recruiting employers with at least a successful young applicant was higher for medium to large businesses (Figure 2).

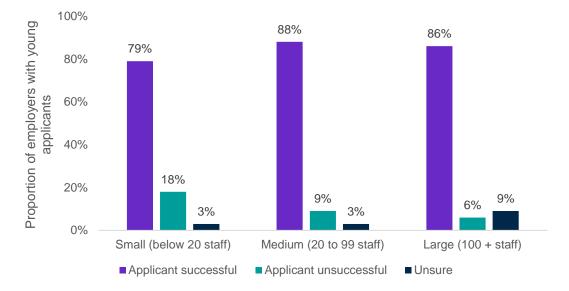
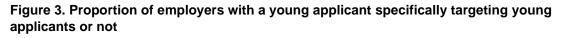
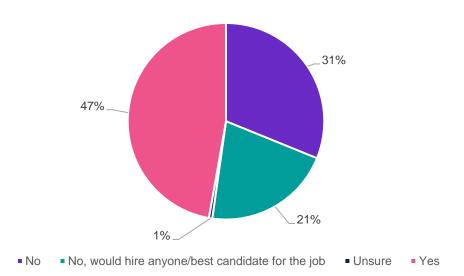


Figure 2. Proportion of employers with young applicants hired at least one young person, by business size

Source: Recruitment Experiences and Outlook Survey, the Youth module 2024

Additionally, of employers who responded to having young applicants, 47% reported that they were specifically interested in hiring a young applicant to fill their position, 31% stated that they did not target young applicants, 21% reported that they would fill a position based on the best candidate for the job regardless if they were young or older applicants, and 1% were unsure whether their business specifically hired a young applicant to fill their vacancy or vacancies (Figure 3).





Source: Recruitment Experiences and Outlook Survey, the Youth module 2024

Occupation, Industry, and skill level positions applied for by young applicants

Sales Workers, Community and Personal Service Workers and Labourers were the three occupation groups with the highest numbers of young applicants as well as the highest hiring rate. These findings align with data from the ABS Census and Labour Force Survey, which show that these occupations are commonly held by young workers.

Even though there were opportunities for young applicants in the Clerical and Administrative Workers occupation group, the proportion of employers with young jobseekers hiring at least one young applicant was far below the average of 82% of all the occupation groups.

These findings are consistent with the above-mentioned study,¹⁰ which shows that a large proportion of young people (aged 15 to 22 years) are employed in these lower skilled roles. This is likely the case as they are either working part-time while studying or taking on these jobs as their first employment after finishing school.

The changing structure of the economy has contributed to the increase in the share of younger people working part-time. As the economy has become more services orientated, there has been increased demand for workers in service industries such as Retail Trade, Manufacturing, and Accommodation and Food Services as these industries tend to involve irregular hours, and lower skilled workers. Figure 4 below demonstrates that Accommodation and Food Services, Health Care and Social Assistance, and Retail Trade, were the three industries with the highest proportion of young applicants with most of these roles being lower-skilled. Among the industries with young applicants, Accommodation and Food Services, Retail Trade and Manufacturing had the highest proportion of employers with a young successful applicant.

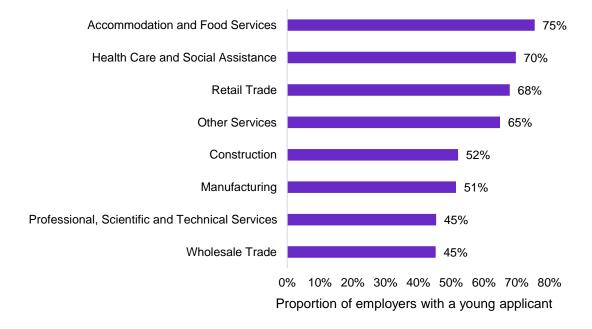


Figure 4. Employers with young applicants, by industry

Source: Recruitment Experiences and Outlook Survey, the Youth module 2024

¹⁰ Vulnerable Youth, e61 Institute.

Successful and unsuccessful factors for young applicants

Data from the question related to why the young applicant was successful in getting the job show that employers particularly looked for certain skills and attributes from young job seekers. The top three most important qualities that employers were looking for include having the right attitude, good communication skills and relevant experience for the job (Figure 5). This finding is consistent with the 2018-2019 REOS survey, where employers indicated that essential employability skills (such interpersonal and people skills, communication, and teamwork skills) are important, while relevant experience is necessary as they want the right match for their business. In addition, having good presentation skills and making a good impression at the interview were also evident in the number of responses that mentioned the applicant performed well and took pride in how they looked (10%).

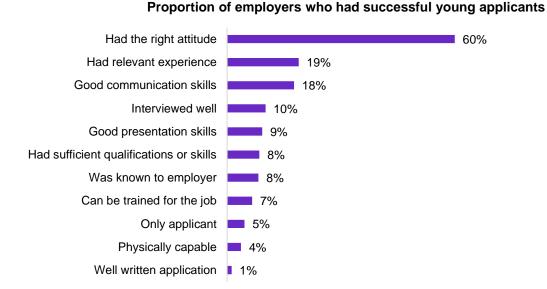


Figure 5. Reasons young applicants were successful in getting the job

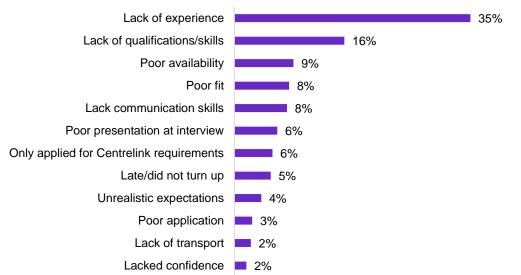
Source: Recruitment Experiences and Outlook Survey, the Youth module 2024

On the other hand, the data also revealed the main reasons that the applicant was unsuccessful (Figure 6). A lack of experience was the most common reason (cited by 35% of employers in the survey), along with lack of qualifications and skills (16%). While most of these employers' report that young applicants lack experience and skills, some employers face additional challenges when hiring young people such as poor availability (9%). This could be supported by the fact that young people might take up more casual or part-time roles due to education commitment or being multiple job holders. These were notable challenges employers faced when recruiting young people.

Some 8% of employers reported that the applicant would be a poor cultural fit to the work team, while lack of communication skills (8%) or poor presentation at interview was cited by 6% of employers. However, this should not deter young people from applying. Recent data from the REOS show that 43% of employers will consider applicants who do not have relevant experience, those being in mostly lower-level skilled jobs such as checkout operators, sales assistants and waiters.¹¹

¹¹ Australian Jobs 2023, Pg 8 – Recruitment Experience and Outlook Survey 2022.





Proportion of employers who had unsuccessful young applicants

Source: Recruitment Experiences and Outlook Survey, the Youth module 2024

Accessing programs or subsidies when recruiting young applicants

Most employers in the survey did not access any program or subsidy when hiring young people (Figure 7). Only 18% of responding employers accessed a program and/or subsidy when taking on the young job applicants. Among these, the most common program accessed was the Australia Apprenticeships Incentive Scheme – Hiring Incentive (accessed by 11% of employers in the survey). There was only a small number of employers who reported using the Youth Bonus Wage Subsidy.

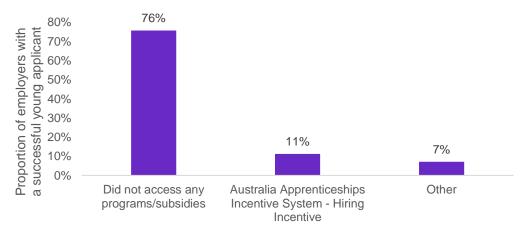


Figure 7. Employer access of programs or subsidies when recruiting young applicant

Source: Recruitment Experiences and Outlook Survey, the Youth module 2024

How employers recruited the young job applicant?

Employers use a wide range of methods to find workers they need. In general, employers preferred some recruiting methods over the others when hiring young people. The two charts in Figure 8 highlight the recruitment methods used when hiring young people in comparison with the overall recruitment methods for the whole labour market.

Advertising on *Internet job boards* is the most common method of finding staff. Some 61% of recruiting employers used this method in 2024 for overall recruitment process, this number, however, was much lower when hiring young people (37%). *Word of mouth* tended to be the second most popular method used when hiring young people, with 30% of recruiting employers using this method for youth employment recruitment.

Jobseekers directly approaching employers was another popular method used when hiring young people. Almost one in five (19%) recruiting employers were directly approached by jobseekers, far more than the 11% seen in the whole labour market in 2024. The popularity of *Word of mouth* and *Jobseeker approached* when hiring young people aligns with the concentration of young workers in lower-skilled, part-time or casual roles. These roles may not be formally advertised, and employers may prefer referrals to quickly fill vacancies over a formal recruitment process.

Social media was another common recruitment method used by both employers in hiring young jobseekers and for the overall recruitment (17% and 21%, respectively). Interestingly, recruitment agency was used by a significant proportion of recruiting employers for the overall recruitment process, this method was less considered when hiring young people (10% and 5%, respectively).

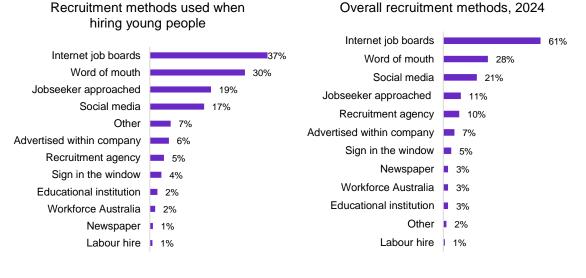


Figure 8. Recruitment methods used when recruiting young people

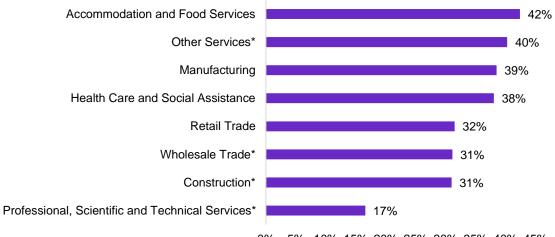
Source: Recruitment Experiences and Outlook Survey 2024, the Youth module 2024 Source: Recruitment Experiences and Outlook Survey 2024

Small to medium size businesses were more likely to use word of mouth than large businesses when trying to fill their vacancies with young applicants. Large businesses were more likely to use the internet over other methods.

Did the successful applicant require a work trial?

Work trials allow an employer to determine if an employee is suitable for the role before officially offering them a position. Of the employers with successful young applicants, 34% of employers required the young applicant to have a work trial before commencing the job, while 66% of employers did not require the young person to have a work trial. Employers in the Accommodation and Food Services, Other Services, Manufacturing, and Health Care and Social Assistance were the most common industries that required the young applicant to undertake a work trial (Figure 9).

Figure 9. Whether a work trial was required by Industry, (proportion of employers with a successful applicant)



 $0\% \quad 5\% \quad 10\% \ 15\% \ 20\% \ 25\% \ 30\% \ 35\% \ 40\% \ 45\%$

* Caution should be advised due to low sample size.

Source: Recruitment Experiences and Outlook Survey, the Youth module 2024

Conclusion

The labour market can be competitive and challenging for young jobseekers when finding a job. In response to addressing some of these challenges, the REOS surveyed Australian employers who had young job applicants in the past 12 months to find out their perceptions on what qualities they look for in young jobseekers. Generally, employers are looking for someone with the whole package: education, relevant experience and employability skills (i.e. with the right attitude, good communication skills and relevant experience for the job). These findings align with evidence from the Australian Census Longitudinal Dataset which shows that completing Year 12 is essential as a first step while building their skills with the right qualifications is important to improve their job prospects.

Having employability skills such as having the right attitude, good communication skills and ability to work in a team will ensure that the young job seeker is job ready. These are the values that employers will not compromise on, which is supported throughout this report.

All jobs can provide valuable experience and build relevant skills. Workplace experience can give young people a foot in the door. This can be gained through securing a part-time or casual job, volunteering, and apprenticeships or traineeships.

Young jobseekers often face multiple barriers to gaining and staying in work such as the availability of the job (i.e. available working hours), lack of experience and skills, insecure work and poor communication skills. Therefore, a range of policy and programs have been implemented over the years for educators, employers and employment practitioners to support young people that are experiencing disadvantage to prepare and find work. Some of these programs include:

- A range of services including training and skills development
- Job search assistance
- Financial support and career counselling
- Industry specific and transferable skill development programs to improve employability and engagement with practical training pathways. These could include higher education, vocational training, apprenticeships and work experience.
- Skill development pathways aimed at building employability skills such as communication, problem solving and social skills
- Practitioners working with school-aged young people can provide career guidance to promote work-based skills and knowledge before students leave school and encounter problems finding employment
- the <u>Transition to Work</u> initiative a government-funded service provided by community organisations that offers practical pre-employment support including skills building and job search assistance

Methodology notes

REOS

The Recruitment Experiences and Outlook Survey (REOS) is an ongoing survey of employers across Australia. Approximately 1,000 employers are surveyed each month, with data published on the <u>Jobs and Skills Australia</u> 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 caution. The survey is targeted towards employers with five or more employees and excludes many government organisations. Further information is available in the <u>REOS methodology paper</u>.

Data from the REOS are published monthly in the *Recruitment Insights Report* which is generally published on the 3rd Tuesday of the month. Spotlights are also produced in most months, generally released in the first week of the month.

Additional modules

The Youth module was undertaken between June and September 2024 when a temporary set of supplementary questions were added to the REOS to capture employers' experience of hiring young people. Aside from core questions of the REOS, the Youth module includes seven key questions to focus on experience recruiting young people as follows:

- > Whether the business had any young applicants over the past 12 months
- > The occupation of the vacancy the young jobseeker applied for
- > Whether the employer was specifically looking for a young worker
- If successful:
 - What made the young applicant successful during the recruitment process
 - Whether employers accessed any government programs or incentives to help take on the applicant;
- If unsuccessful, the reasons the young applicant was unsuccessful during the recruitment process
- > Whether the young applicant was subjected to a work trial.

There were 2,502 employers participated in the Youth module and of these, 1,454 respondents or 58%, reported having a young job applicant in the previous 12 months. The sample was not adjusted to target businesses or regions that may be more likely to attract greater proportions of young applicants, nor was it adjusted to be representative of the young population distribution.

The survey relied on the respondent knowing whether a job applicant was aged between 15 to 24 years or not. Some caution needs to be applied interpreting the findings as the sample is likely to be biased towards young applicants as some of the recruitment processes by employers may not have asked the age of the applicant.

There were 37 respondents (1% of the total asked) who were unsure of whether they had a young applicant over the past 12 months prior to the time of the survey. Many businesses conduct large recruitment rounds and recruiters wouldn't be able to identify the background characteristics of all job applicants. Around 13 respondents refused to answer the question.

Furthermore, respondents were not asked whether there was more than one (multiple) young applicant for any given position. It is possible that more than one young applicant applied for some of the jobs.

The survey is conducted by an in-house call centre by well-trained interviewers. The survey module was tested and adjusted before the final set of questions were put into the field. Furthermore, the module is based on a short set of questions following on from the core Recruitment Experiences and Outlook Survey. In depth questioning is not possible due to respondent burden considerations.

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 <u>Counts of Australian Businesses, including Entries and Exits</u> (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 <u>Australian and New Zealand Standard Industrial Classification</u> (<u>ANZSIC</u>), 2006, Version 2.0.
- Occupation is defined by the <u>Australian and New Zealand Standard Classification of</u> <u>Occupations (ANZSCO)</u>, 2022.

Data in this release should be referenced as: *Jobs and Skills Australia, Employers' experiences of young job applicants,* March 2025.

For more information, email: reos@jobsandskills.gov.au