



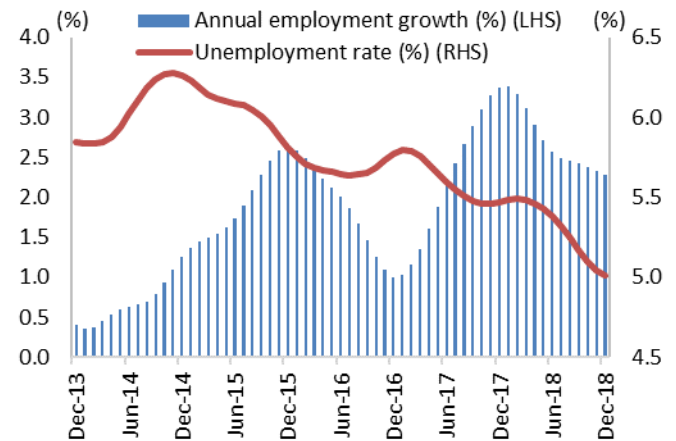
Recruitment difficulty on the rise

Employment growth has been strong and unemployment is falling

Labour market conditions have been strong in recent years, with employment increasing by 268,600 (or 2.2 per cent) over the year to December 2018.¹ The unemployment rate has fallen appreciably over the year, from 5.6 per cent, to 5.0 per cent in December 2018 (see Figure 1), while the level of unemployment has decreased by 70,300 (or 9.5 per cent), the largest decrease over a calendar year since 1994.

¹Source: ABS, Labour Force Australia, December 2018; seasonally adjusted data

Figure 1. Labour market activity has been strong



Recruitment difficulty is becoming more prevalent

As a result of the strong labour market conditions, employers are having greater difficulty recruiting. Results from the Survey of Employers' Recruitment Experiences show 44 per cent of employers reported having difficulty in their most recent recruitment round in 2017–18, compared with 37 per cent in 2016–17 (see Figure 2).

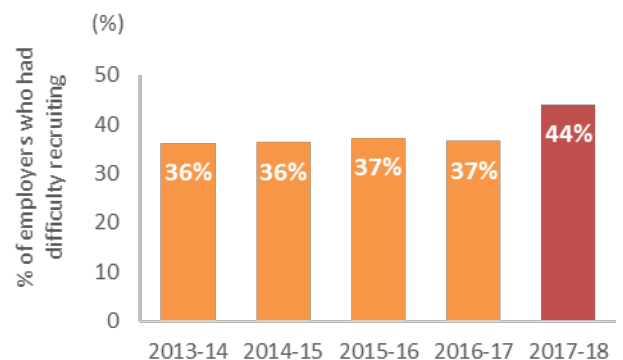
The increase in recruitment difficulty occurred in:

- almost all regions across the country
- the majority of industries
- all occupation groups

Many employers stated that recruitment had become more difficult than in previous years, citing a decline in the quality of applicants, many of whom lacked the relevant skills, professionalism and interest in the job.

Additionally, some employers reported they were experiencing greater competition for workers, due to the strong labour market conditions in their industry or local area.

Figure 2. More employers are having recruitment difficulty



Many Technicians and Trades Workers Occupations are in shortage

Results from the Survey of Employers who have Recently Advertised show employers are receiving fewer applicants and filling a smaller proportion of their vacancies in a range of higher skilled occupations (see Figure 3).

Almost all Technicians and Trades Worker occupations assessed in 2017-18 were in shortage. It is worth noting that trade apprenticeship completions stood at 39,100 in the year to June 2018, the lowest level since 2007.¹

¹Source: NCVET, Apprentices and Trainees, June 2018

Figure 3. Employers received fewer applicants and filled a smaller proportion of their vacancies

