

Recruitment activity

49%

Change since March 2021¹:

▲ 3% pts

Recruitment difficulty rate

54%

Change since March 2021:

▲ 5% pts

Expect to increase staff

24%

Change since March 2021:

▲ 1% pts

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

- REOS results in April 2021 suggest that the Australian labour market is tightening, with an increasing rate of recruitment and recruitment difficulty, and a slight increase in employers' future staffing expectations.
- In April 2021, 49% of surveyed employers reported that they were recruiting or had recruited in the past month, which is a new peak, up from 46% in February and March 2021.
- Recruitment rates have increased since March 2021 in both Rest of State areas (from 49% to 51%) and Capital Cities (from 44% to 48%).
- Employers in Queensland (54%) were most likely to report that they were recruiting, while employers in Victoria (41%) were least likely.
- Some 54% of recruiting employers reported recruitment difficulty in April 2021, a considerable increase on the 49% recorded in March 2021. This is a recent high in the recruitment difficulty series.
 - The rate of difficulty increased in both Rest of State areas (from 54% to 64%) and Capital Cities (from 44% to 48%) over the last month.
- In April 2021, 24% of employers expected to increase their staffing levels over the next 3 months, slightly higher than the 23% recorded in March 2021.
- Employers in the Accommodation and Food Services industry were the most likely to expect to increase their staffing levels over the next 3 months (36%), followed closely by employers in Health Care and Social Assistance (35%).
- This month's Spotlight shows that advertising vacancies on recruitment websites and job boards remains the most common recruitment method in the post-COVID-19 period. Between August 2020 and April 2021, this method has been used by around one in two recruiting employers (49%), a similar result to 2019 (52%).

Note: Recruitment activity refers to the proportion of employers either currently recruiting or who had recruited in the previous month. The recruitment difficulty rate is the proportion of recruiting employers who experienced difficulty hiring. The 'expect to increase staff' figure is the proportion of employers who expect to increase staff numbers over the next three months.

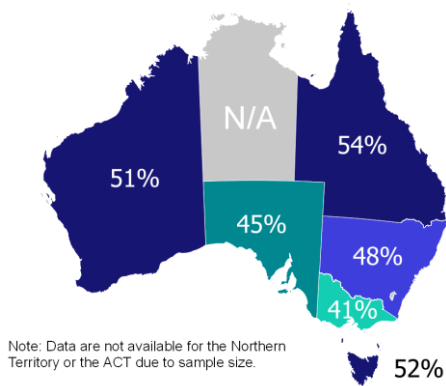
¹ In this release, 'April' refers to the 4 weeks to 30 April 2021, while 'March' refers to the 4 weeks to 2 April 2021. See the 'Background' for more information on time periods used in this report.

Recruitment activity

- In April 2021, around half (49%) of employers surveyed reported that they were recruiting or had recruited in the past month, which is a new peak, up from 46% in the previous two months.
- Recruitment rates increased in both Rest of State areas (from 49% to 51%) and Capital Cities (from 44% to 48%) since March 2021.
- Employers in Queensland were most likely to report that they were recruiting or had recruited in the past month (54%), followed by Tasmania (52%). Employers in Victoria (41%) and South Australia (45%) were the least likely to have recruited.
- The proportion of medium to large businesses (20 or more employees) recruiting had increased by 10 percentage points over the month, to stand at 80%. The recruitment rate for small business (5 to 19 employees) remained relatively steady over the month.
- Employers in the Accommodation and Food Services industry were the most likely to recruit (66%), followed by Health Care and Social Assistance (61%). Both these industries recorded increases in their recruitment rate since March 2021.

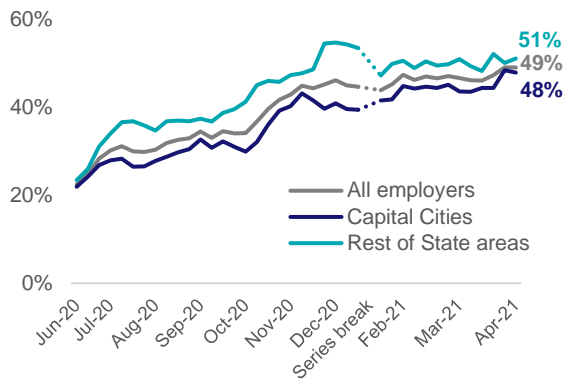
Recruitment by state and territory

proportion of employers who are recruiting by state



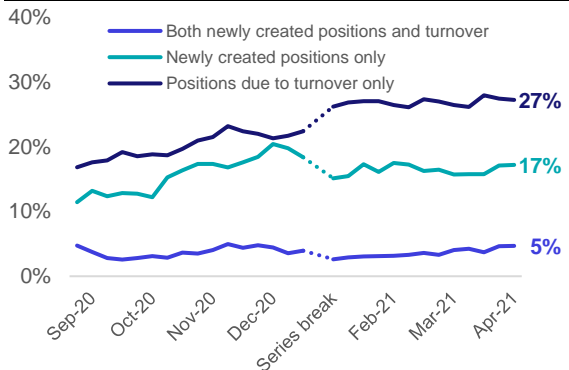
Recruitment by region type

proportion of employers who are recruiting by region



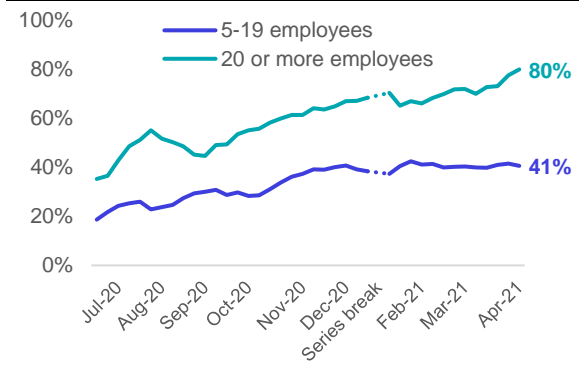
Reason for recruitment

as a proportion of all employers



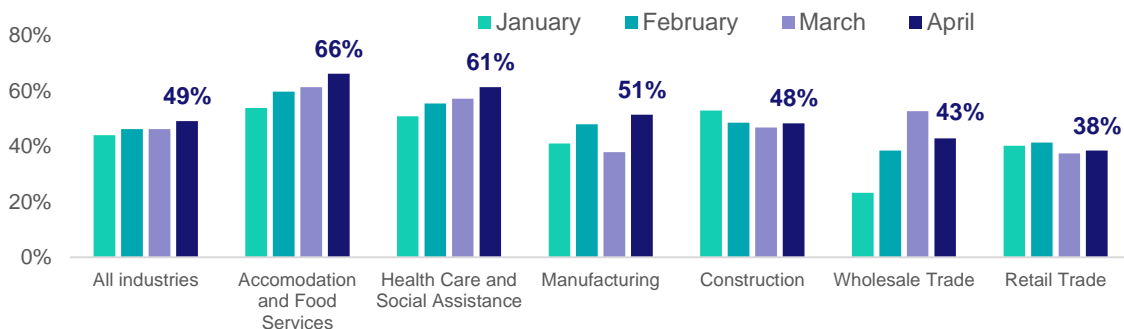
Recruitment by business size

Proportion of employers who are recruiting by business size



Recruitment rate by selected² industry

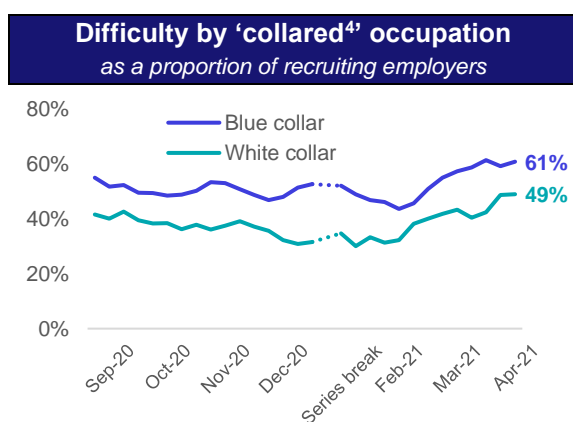
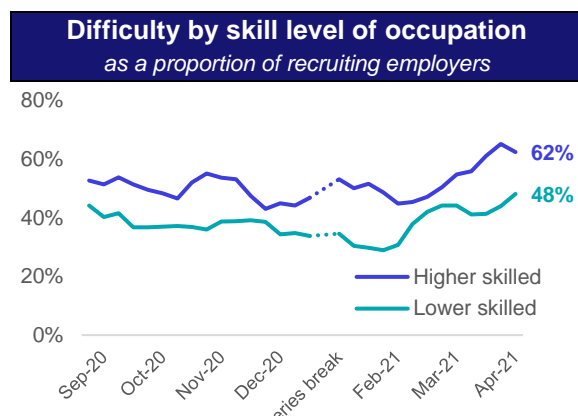
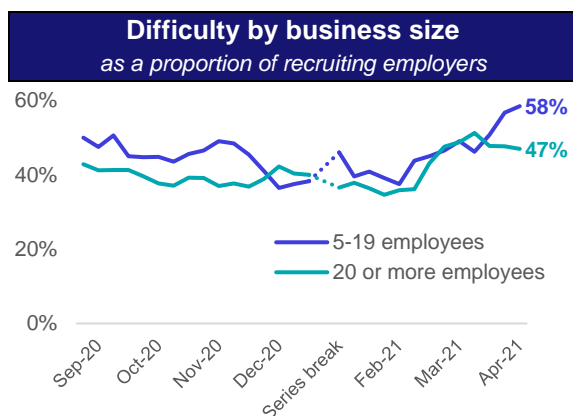
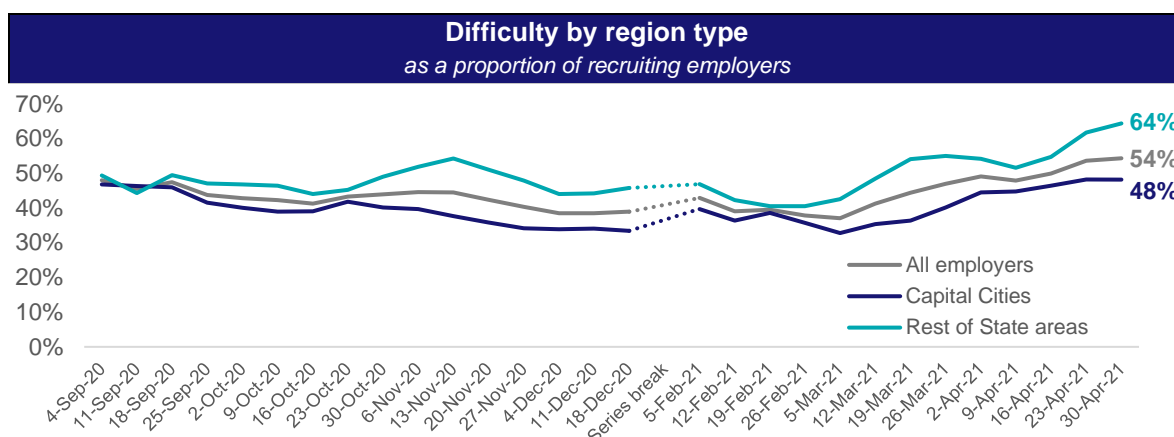
Proportion of employers who are recruiting by industry



² Some industries are not reportable due to small sample sizes. The Professional, Scientific and Technical Services industry has been excluded for this reason, despite having been included in previous reports.

Recruitment difficulty rate

- In April 2021, the proportion of recruiting employers experiencing recruitment difficulty (54%) increased from March 2021 (49%). This is the highest recorded proportion since the REOS recruitment difficulty series began in September 2020.
- Over the month, the rate of difficulty increased in both Rest of State areas (from 54% to 64%) and Capital Cities (from 44% to 48%).
- Some 58% of recruiting businesses with 5 to 19 employees reported recruitment difficulty in April 2021, up from 49% in March 2021. The rate of difficulty for recruiting businesses with 20 employees or more stood at 47%, slightly lower than the level recorded in March 2021 (49%).
- The rate of recruitment difficulty has risen for both higher skilled and lower skilled³ occupations since March 2021. Higher skilled occupations remain considerably more difficult to recruit for compared with lower skilled occupations (62% and 48%, respectively).
- A lack of suitable applicants is the most common reason for recruitment difficulty.



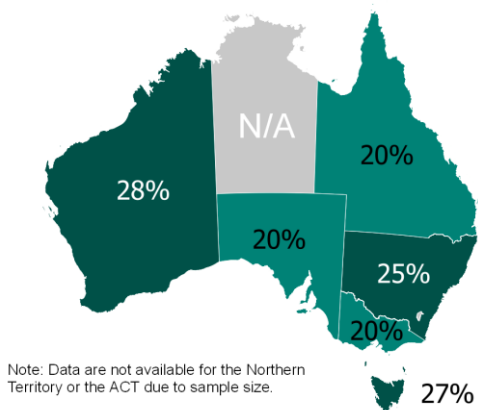
³ In this report, lower skilled refers to occupations with an ANZSCO Skill Level of 4 or 5, while higher skilled refers to ANZSCO Skill Levels 1, 2 or 3.

⁴ Blue collar occupations include Technicians and Trades Workers, Machinery Operators and Drivers, and Labourers. White collar occupations include Managers, Professionals, Community and Personal Service Workers, Clerical and Administrative Workers, and Sales Workers. Note: Data by 'collared' occupation and reasons for recruitment difficulty are not published in the REOS weekly data file releases but are available upon request.

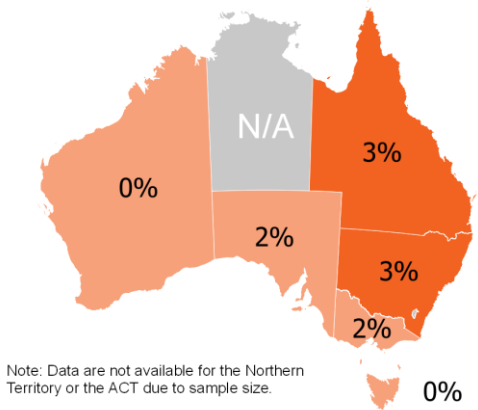
Staffing outlook

- In April 2021, 24% of employers expected to increase their staffing levels over the next 3 months, slightly higher than the 23% recorded in March 2021.
- Employers in Western Australia were the most likely to expect to increase their staffing levels over the next 3 months (28%). Employers in Victoria, South Australia, and Queensland (all 20%) were the least likely.
- Over the past month expectations to increase staffing levels in Rest of State areas fell, while for Capital Cities they rose, to both stand at 24% in April 2021.
- For businesses with 20 or more employees, expectations to increase staffing levels increased to a peak of 39% in April 2021, while for businesses with 5 to 19 employees the proportion expecting to increase staff numbers stood at 20%, relatively unchanged from March 2021 (20%) and February 2021 (19%).
- Employers in the Accommodation and Food Services (36%) and Health Care and Social Assistance (35%) industries were the most likely to expect to increase their staffing levels over the next 3 months, while employers in the Retail Trade industry (13%) were the least likely.

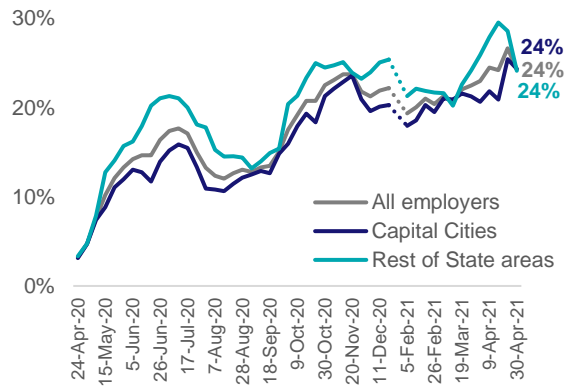
Expectations to increase staff as a proportion of all employers



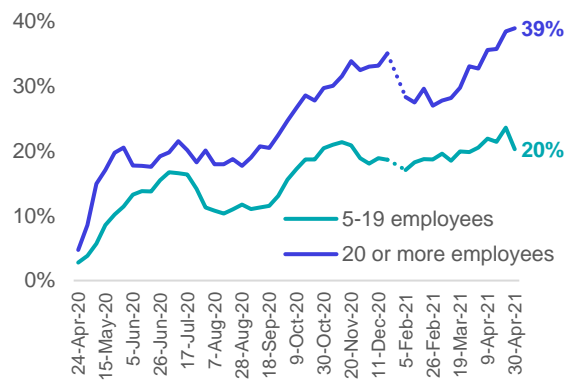
Expectations to decrease staff as a proportion of all employers



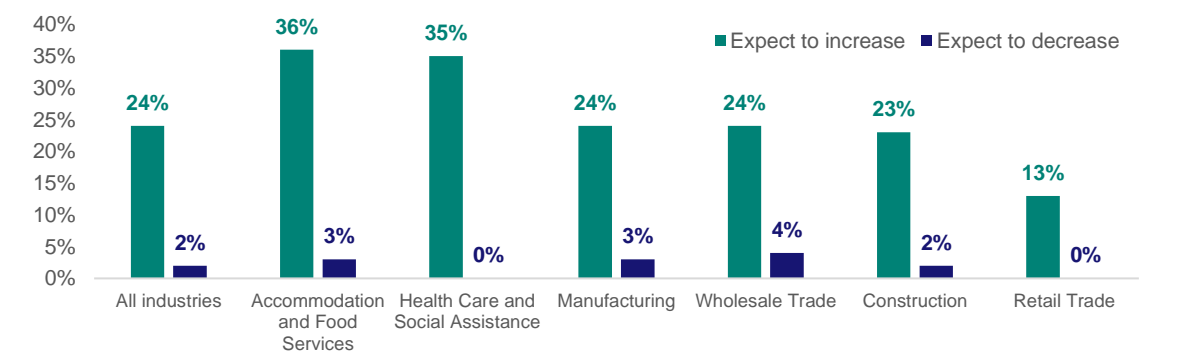
Expectations to increase staff by region type as a proportion of all employers



Expectations to increase staff by business size as a proportion of all employers



Staffing expectations over the next 3 months by selected⁵ industries as a proportion of all employers



⁵ Some industries are not reportable due to small sample sizes. The Professional, Scientific and Technical Services industry has been excluded for this reason, despite having been included in previous reports.

Spotlight – Recruitment methods

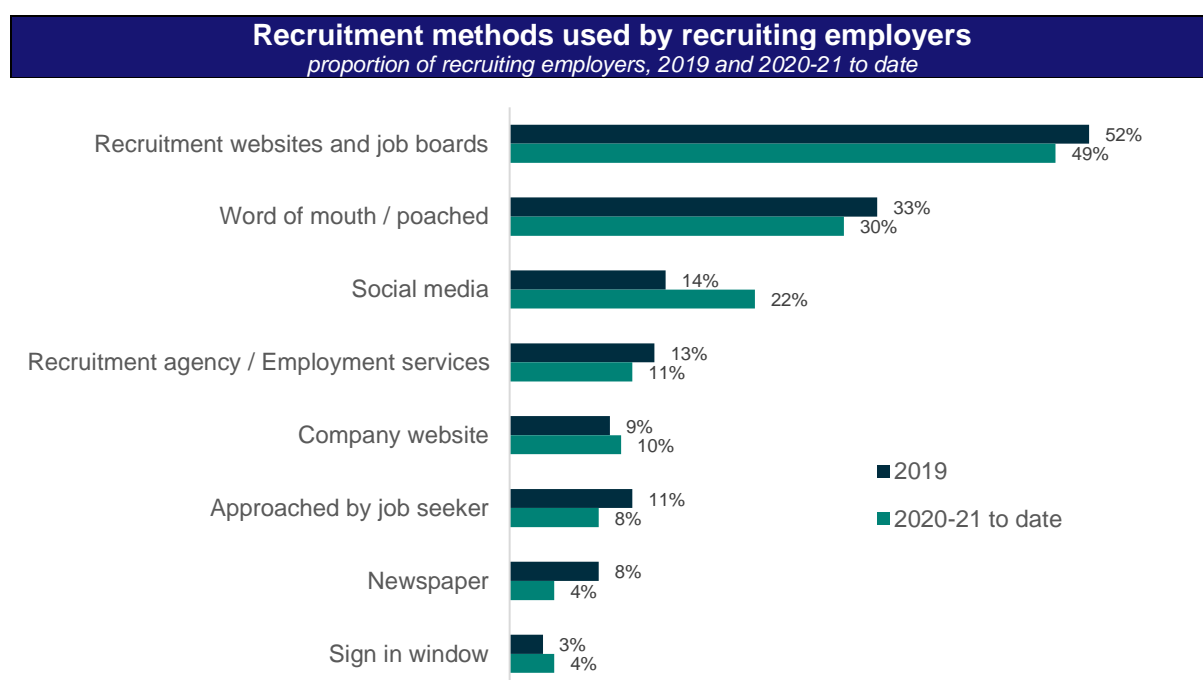
This month's Spotlight features data collected as part of the REOS on recruitment methods used by employers and compares this to 2019.⁶ Data on recruitment methods can be used to help job seekers to better target their job search efforts.

Advertising on recruitment websites and job boards remains the most common method of recruitment

The recruitment methods used by employers in 2020-21 to date⁷ are largely similar to those used pre-pandemic (2019⁸). Advertising vacancies on recruitment websites and job boards remains by far the most common method of attracting applicants, used by around one in two employers both in 2020-21 to date (49%) and 2019 (52%).

Recruiting staff through word of mouth remained the second most common method of recruitment, used by around a third of recruiting employers in both 2019 and 2020-21 to date. This method includes asking existing employees, friends or family members if they know anyone who would be interested in the position, and also includes approaching potential applicants directly.

While usage of the above two methods remained similar over the reported time periods, there were changes in the use of other methods which are continuations of longer-term trends.⁹ The use of social media¹⁰ has continued to rise, from 14% in 2019 to 22% in 2020-21 to date. On the other hand, the usage of newspapers for recruitment has continued to fall, from 8% to 4% over the same period.



Note: Employers could select with multiple methods

2019 data is from the *Survey of Employers' Recruitment Experiences*

2020-21 to date is based on data collected from 10 August 2020 to 30 April 2021.

⁶ Results on recruitment methods reflect how employers advertise and do not take into account the role that other parties (such as recruitment agencies or job aggregating websites) may have played in promoting the vacancy.

⁷ Data on recruitment methods has been collected on the *Recruitment Experiences and Outlook Survey* since August 2020 (this data was not collected from April 2020 to August 2020, as the survey was focussing on the impacts of COVID-19 on businesses during that period).

⁸ Data from 2019 are from the *Survey of Employers' Recruitment Experiences* previously run by the Department.

⁹ For more information on recruitment methods, see the reports based on the Survey of Employers' Recruitment Experiences on the [Labour Market Information Portal](#).

¹⁰ Previous Departmental research has shown that recruitment through social media is often through Facebook job groups.

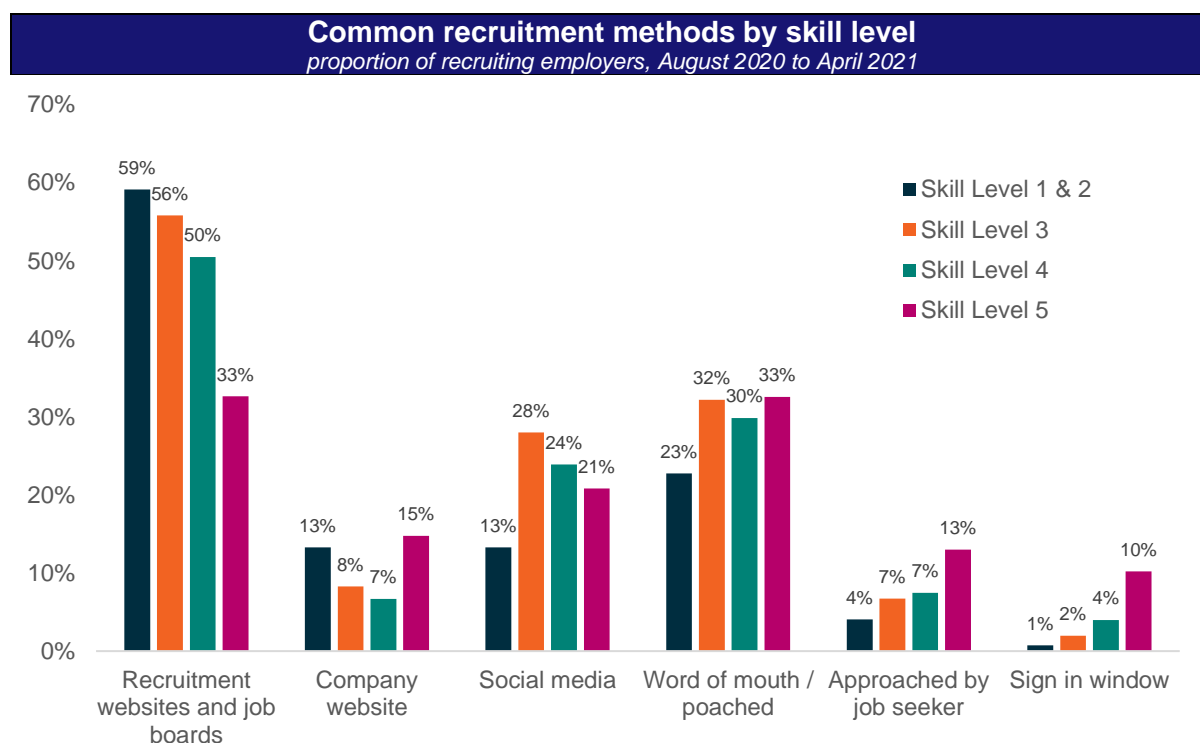
Recruitment methods vary by occupation skill level¹¹

The use of recruitment methods varies by the skill level of the occupation being recruited for. For Skill Levels 1, 2, 3 and 4, advertising on recruitment websites and jobs boards is by far the most common method, used by at least half of employers recruiting for these types of occupations. For Skill Level 5 occupations, however, usage of recruitment websites and job boards is far lower (33%), with employers just as likely to use word of mouth (33%).

Word of mouth was also commonly used (although less so than recruitment websites and job boards) in recruitment for Skill Level 4 (30%) and Skill Level 3 (32%) occupations. It was less common for Skill Level 1 & 2 occupations (23%).

Recruitment through social media was most common for Skill Level 3 occupations (28%)¹², and was least common for Skill Level 1 & 2 occupations (13%).

Employers recruiting for Skill Level 5 occupations were more likely to use company websites (15%), consider job seekers who directly approached the business (13%) and put a sign up in the business' window (10%) compared with employers recruiting for Skill Level 1-4 occupations.



There are also differences in the methods used between cities and regional areas¹³

Employers in Major Cities differ notably in their recruitment methods usage compared with employers in regional and remote areas. More than half (54%) advertise their vacancies on recruitment websites and job boards, while a far lower proportion use word of mouth (27%) and social media (15%).

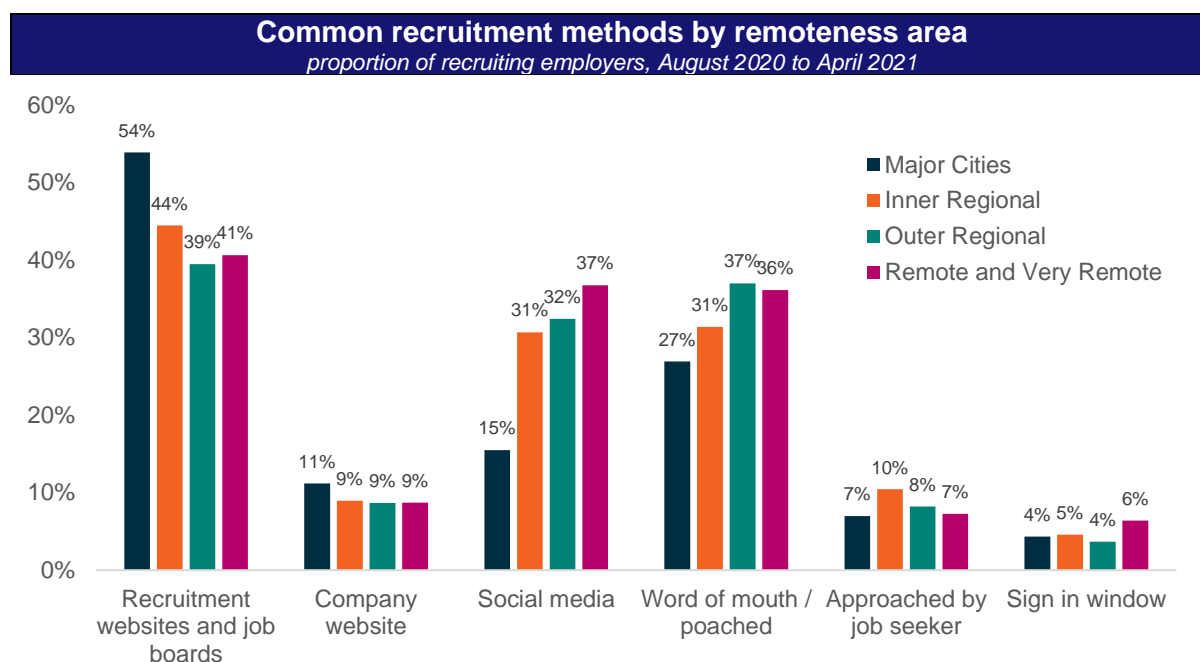
In regional and remote areas, advertising on recruitment sites and job boards is still the most common method, however social media and word of mouth play a more prominent role than in Major Cities. In

¹¹ Occupation Skill Levels are as defined by the Australian and New Zealand Standard Classification of Occupations (ANZSCO). Skill Level 1 and 2 occupations generally require a diploma, advanced diploma, Bachelor degree or higher education. Skill Level 3 occupations generally require a Certificate III or IV. Skill Level 4 occupations generally require a Certificate II or III. Skill Level 5 occupations generally have no post-school qualification requirements.

¹² At Skill Level 3, the use of social media is particularly high for Community and Personal Service Workers (40%).

¹³ The classification used in this section is based on the Accessibility and Remoteness Index of Australia (ARIA+), which divides Australia into 5 'Remoteness Areas': Major Cities of Australia, Inner Regional Australia, Outer Regional Australia, Remote Australia and Very Remote Australia. In this analysis, Remote Australia and Very Remote Australia have been combined into one category due to small sample sizes.

Remote and Very Remote areas for example, social media (37%) and word of mouth (36%) are used nearly as frequently as recruitment websites and job boards (41%).



Background

Information in the Recruitment Insight Reports is based on the *Recruitment Experiences and Outlook Survey* (REOS), which is an ongoing survey of employers across Australia. Approximately 1,200 employers are surveyed each month, with data published on the Labour Market Information Portal (LMIP) as a weekly data file and a monthly report. While the data are indicative of recruitment activity, they may be subject to seasonal factors and other volatility and should therefore be treated with caution. In addition, the survey is targeted towards employers with 5 or more employees, and excludes many government organisations.

Note that the month time periods referenced in this report are based on the closest 4-week period of data. The table below shows the month and corresponding 4-week period:

August 2020	4 weeks to 4 September 2020	January 2021	4 weeks to 5 February 2021
September 2020	4 weeks to 25 September 2020	February 2021	4 weeks to 26 February 2021
October 2020	4 weeks to 30 October 2020	March 2021	4 weeks to 2 April 2021
November 2020	4 weeks to 27 November 2020	April 2021	4 weeks to 30 April 2021
December 2020	4 weeks to 18 December 2020		

Please note that data collection paused over the Christmas and New Year period from 21 December 2020 until 8 January 2021.

Data in this release should be referenced as – National Skills Commission, Recruitment Insights Report, April 2021.

For additional information email RecruitmentAnalysis@skillscommission.gov.au.