

This month's Spotlight provides information about employers' recruitment experiences and staffing outlook in the Accommodation and Food Services industry by ANZSIC industry sub-sector¹. While the industry has been heavily impacted through the COVID-19 pandemic, it has experienced a strong recovery since late 2020. The industry is also projected to make the second largest contribution to employment growth in the five years to November 2025 (an increase of 139,900 employed persons).²

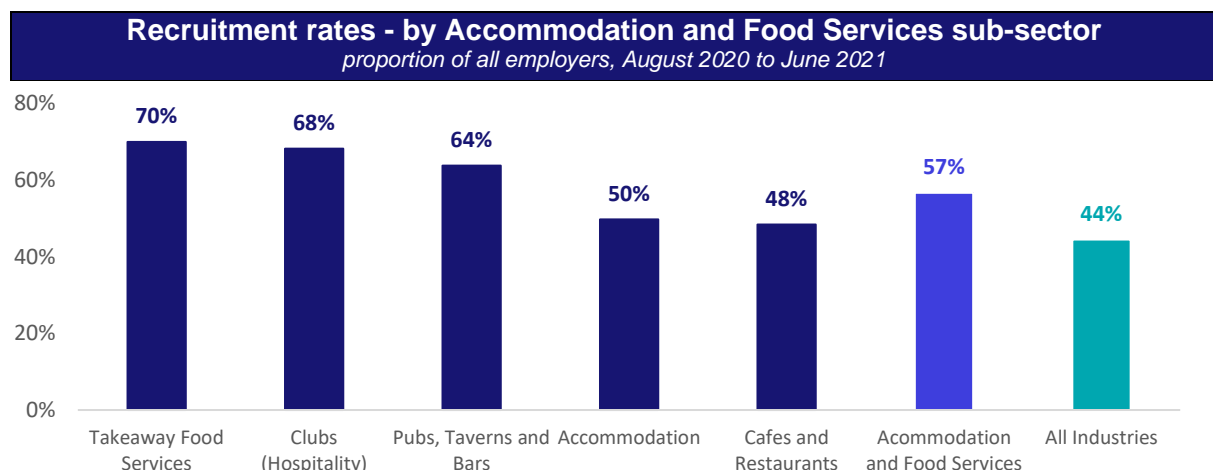
Employers in the Accommodation and Food Services industry have high levels of recruitment, often driven by turnover, and frequently expect to increase staff numbers over the next 3 months. Recruitment difficulty is relatively common in the industry, but varies greatly depending on the occupation being recruited for.

The industry sub-sectors within Accommodation and Food Services for which REOS can report results on are:

- Accommodation
- Cafés and Restaurants
- Takeaway Food Services
- Clubs (Hospitality)
- Pubs, Taverns and Bars

The REOS collects insufficient data to report individually on the Catering sub-sector in Accommodation and Food Services.

From August 2020 to June 2021, the Accommodation and Food Services industry recorded the highest rate of recruitment of any of the reported industries, with 57% of employers in this industry currently recruiting or having recruited in the past month. Each sub-sector recorded a higher recruitment rate than the average of all industries (44%). However, Takeaway Food Services (70%), Clubs (Hospitality) (68%), and Pubs, Taverns and Bars (64%) recorded significantly higher levels of recruitment, compared with Accommodation (50%), and Cafés and Restaurants (48%).

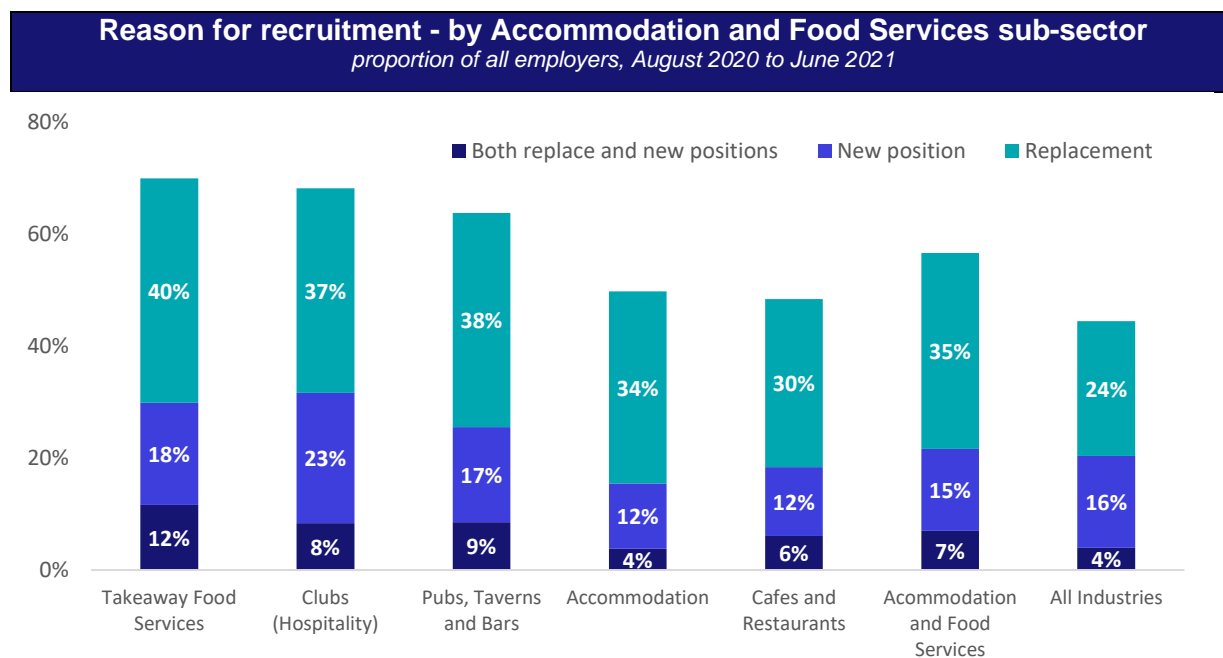


The chart on the following page shows for each industry sub-sector whether employers recruited due to turnover, to fill a new position, or both. Overall, employers in Accommodation and Food Services recruited only to replace staff at a much higher rate than all industries (35% compared with 24%). This suggests that the above average recruitment rate for the industry is largely driven by higher levels of

¹ In this report, 'sub-sector' refers to the ANZSIC classification at the 4-digit level.

² NSC, *2020 Industry Employment Outlook*, available from the [Employment Projections](https://lmp.gov.au/default.aspx?LMIP/GainInsights/EmploymentProjections) page of the Labour Market Information Portal (<https://lmp.gov.au/default.aspx?LMIP/GainInsights/EmploymentProjections>).

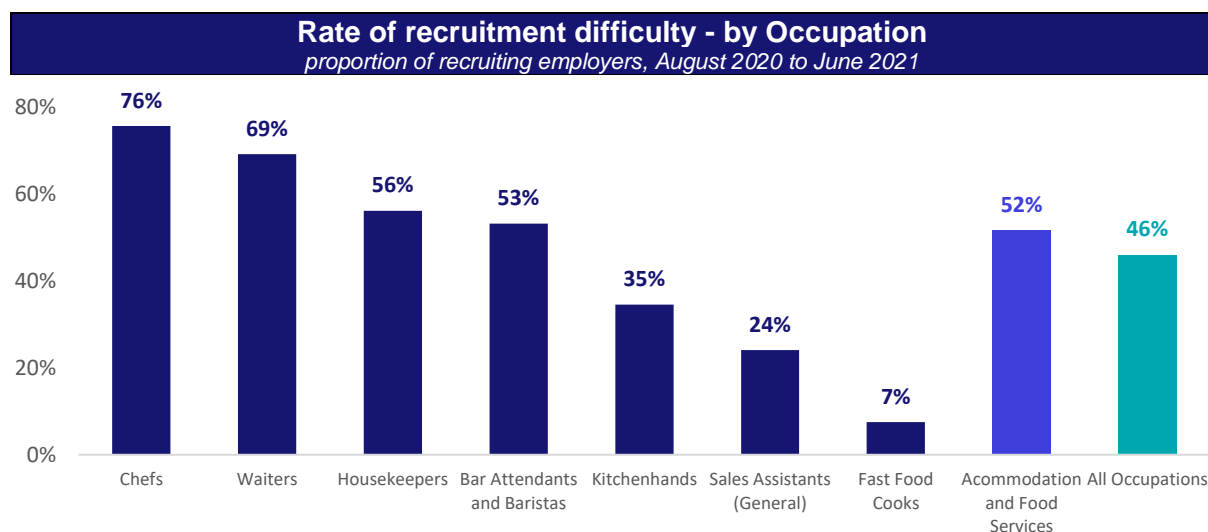
turnover. Employers in the Takeaway Food Services sub-sector (40%) were the most likely to recruit only to replace staff, followed closely by Pubs, Taverns and Bars (38%). Clubs (Hospitality) were the most likely to recruit only for new positions (23%).



Recruiting employers in the Accommodation and Food Services industry were more likely to have had difficulty compared with the average of all industries (52% compared with 46%). The Cafés and Restaurants sub-sector (66%) had the highest proportion of employers who experienced recruitment difficulty, whilst the Takeaway Food Services sub-sector (22%) had the lowest proportion.

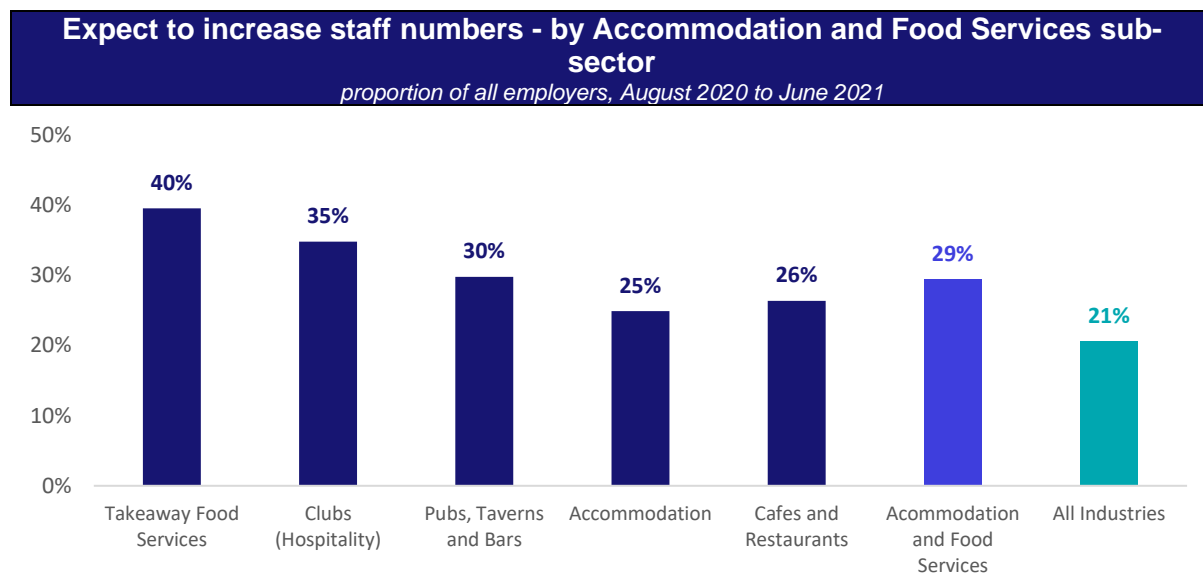
There was great disparity in recruitment difficulty by occupation, with employers recruiting for Chefs (76%) recording considerably higher levels of recruitment difficulty, reflecting that the occupation is currently listed as being in shortage nationally on the National Skills Commission’s recently released *Skills Priority List*. Employers recruiting for Waiters also experienced higher levels of difficulty (69%). While this occupation is not currently listed as being in shortage nationally (it is in shortage in the Northern Territory), it is expected to have strong future demand³.

On the other hand, difficulty was uncommon amongst employers recruiting for Fast Food Cooks (7%) and Sales Assistants (General) (24%).



³ NSC, *Skills Priority List, June 2021*, available at <https://www.nationalskillscommission.gov.au/2021-skills-priority-list>

Over the period August 2020 to June 2021, employers in the Accommodation and Food Services industry were the most common of all the reported industries to expect to increase staffing levels over the next 3 months (29%). Within the industry, every sub-sector had greater expectations to increase staffing levels over the next 3 months compared with the average of all industries (21%). The sub-sector with the highest proportion of employers expecting to increase staffing levels was Takeaway Food Services (40%), while Accommodation had the lowest proportion (25%).



Background

Information in this report 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 Insights 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. In addition, the survey is targeted towards employers with 5 or more employees, and excludes many government organisations.

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