

Recruitment activity

49%

Change since May 2021¹:

▼ 2% pts

Recruitment difficulty rate

50%

Change since May 2021:

▼ 3% pts

Expect to increase staff

20%

Change since May 2021:

▼ 1% pt

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

- REOS results in June 2021 suggest that labour market conditions have eased on some indicators in Rest of State areas over the past month, while in Capital Cities conditions have remained stable.
- In June 2021, some 49% of employers were recruiting or had recruited in the past month. This is a two percentage point drop from the proportion recorded in May 2021 (51%).
 - Since May 2021, the recruitment rate has decreased substantially in Rest of State areas (from 59% to 48%), while in Capital Cities it has increased slightly (from 47% to 49%).
 - Employers in Victoria (32%) were the least likely to have recruited, reflecting the recent COVID-19 outbreak and subsequent restrictions imposed in Melbourne, while employers in Western Australia (57%) were most likely to report they were recruiting.
- The proportion of recruiting employers who reported recruitment difficulty continued to fall, to 50% in June 2021, down from 53% in May 2021 and 54% in April 2021.
 - The rate of difficulty decreased in Rest of State areas (from 59% to 54%) over the past month, while in Capital Cities it remained unchanged at 48%.
- In June 2021, 20% of employers expected to increase their staffing levels over the next 3 months, slightly lower than the 21% recorded in May 2021.
 - Employers in the Accommodation and Food Services industry remain the most likely to expect to increase their staffing levels over the next 3 months (27%).
- This month's Spotlight provides a breakdown of key results by industry sub-sector and occupation within the Accommodation and Food Services industry, using data collected from August 2020 to June 2021. It shows that employers in the Takeaway Food Services sub-sector had the highest rate of recruitment (70%) and were the most likely to expect to increase staffing levels in the next 3 months (40%). It also shows that 3 in 4 employers recruiting for chefs had difficulty trying to fill their vacancies.

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.

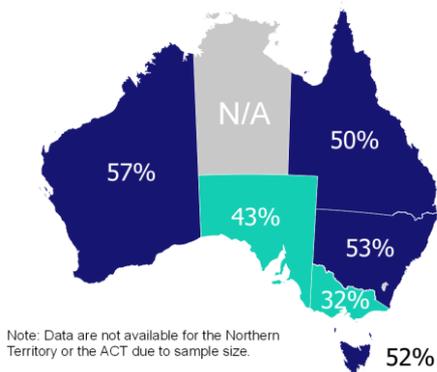
¹ In this release, 'June' refers to the 4 weeks to 25 June 2021. Note that only a small number of businesses in Melbourne were surveyed during the lockdown that occurred from 28 May 2021 to 10 June 2021. As such, the results for Victoria should be interpreted with caution. The lockdown implemented for all of Greater Sydney and Wollongong occurred on 26 June, one day after the data collection cut-off date for this report.

Recruitment activity

- In June 2021, some 49% of employers reported that they were recruiting or had recruited in the past month. This is a two percentage point drop from the proportion recorded in May 2021 (51%).
- Since May 2021, the recruitment rate has decreased in Rest of State areas (from 59% to 48%), while in Capital Cities it has increased slightly (from 47% to 49%).
- Employers in Western Australia were most likely to report that they were recruiting or had recruited in the past month (57%), followed by New South Wales (53%). Employers in Victoria (32%) were the least likely to have recruited, likely reflecting the recent COVID-19 outbreak and subsequent restrictions imposed in Melbourne.
- The proportion of businesses with 20 or more employees who were recruiting decreased from May 2021 by 5 percentage points to 74%. The recruitment rate for businesses with 5 to 19 employees (43%) was similar to May 2021 (45%).
- Employers in the Accommodation and Food Services industry remain the most likely to recruit (69%), followed by Wholesale Trade (56%).

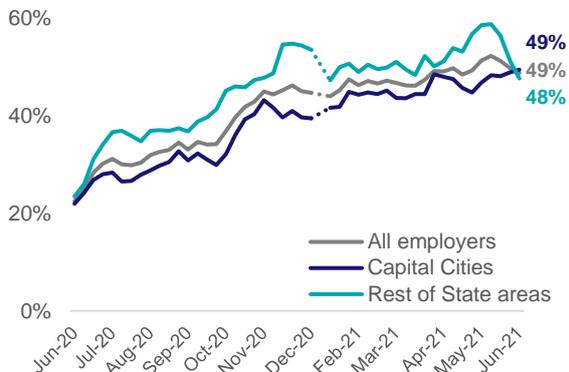
Recruitment by state and territory

proportion of employers who are recruiting by state



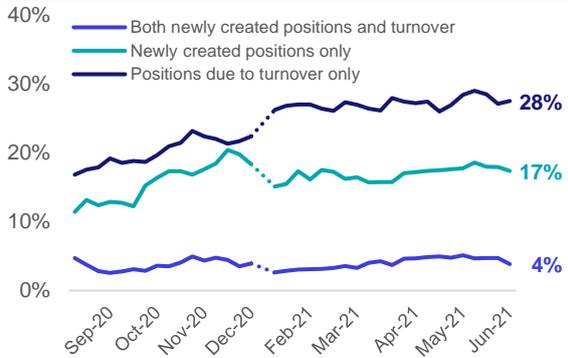
Recruitment by region type

proportion of employers who are recruiting by region



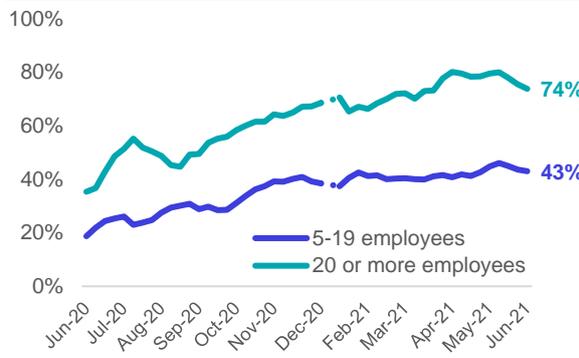
Reason for recruitment

as a proportion of all employers



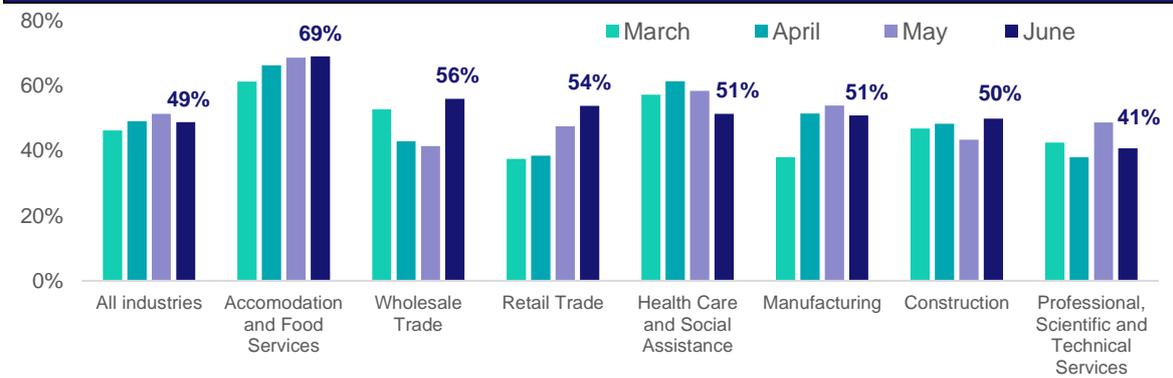
Recruitment by business size

Proportion of employers who are recruiting by business size



Recruitment rate by selected² industry

Proportion of employers who are recruiting by industry

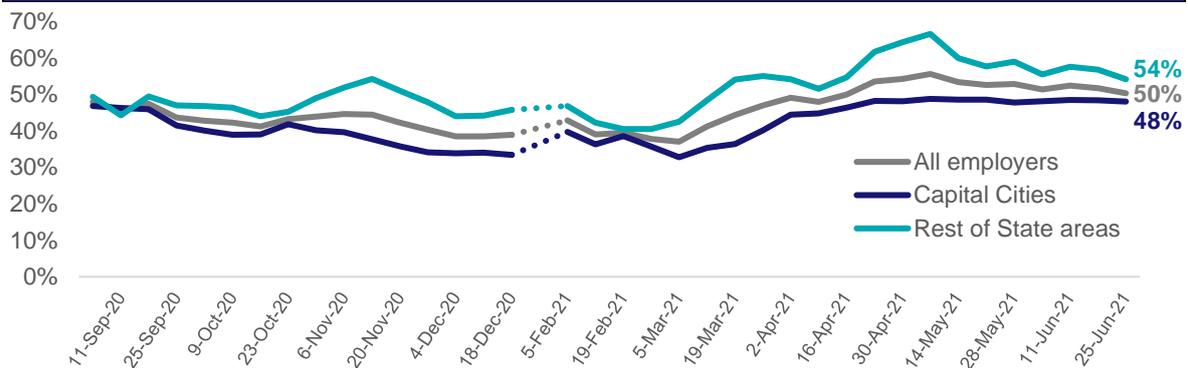


² Some industries are not reportable due to small sample sizes.

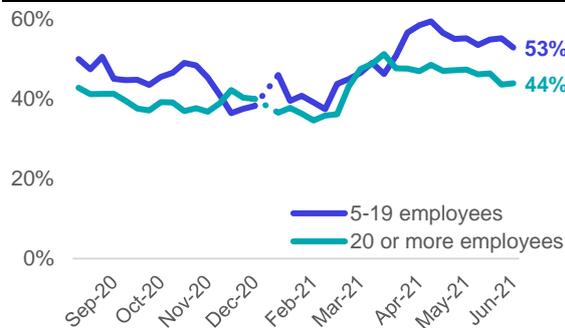
Recruitment difficulty rate

- The proportion of recruiting employers who reported recruitment difficulty continued to fall, to 50% in June 2021, down from 53% in May 2021 and 54% in April 2021.
- Some 54% of recruiting employers in Rest of State areas reported recruitment difficulty in June 2021, down from 59% over the past month, while in Capital Cities it remained unchanged at 48%.
- The rate of recruitment difficulty decreased for both businesses with 5 to 19 employees (from 55% to 53%) and businesses with 20 or more employees (from 47% to 44%).
- Higher skilled occupations remain considerably more difficult to recruit for compared with lower skilled³ occupations, at 60% and 43%, respectively.
- 'Blue collar' occupations also remain considerably more difficult to recruit for compared with 'white collar' occupations (60% and 44%, respectively).
- A lack of applicants (43%) was the most common reason for recruitment difficulty, followed by a lack of suitable applicants (39%).

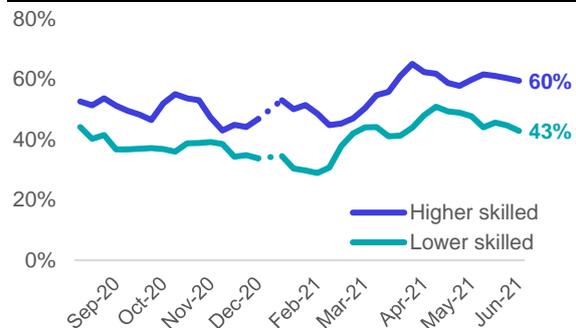
Difficulty by region type as a proportion of recruiting employers



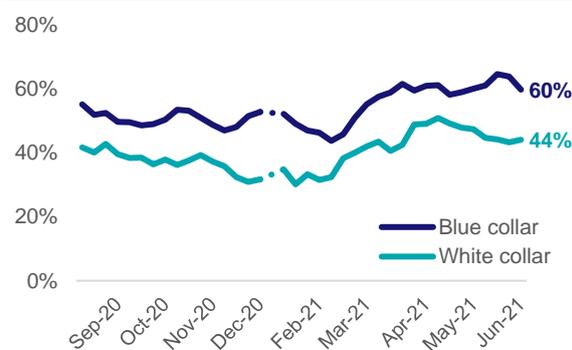
Difficulty by business size as a proportion of recruiting employers



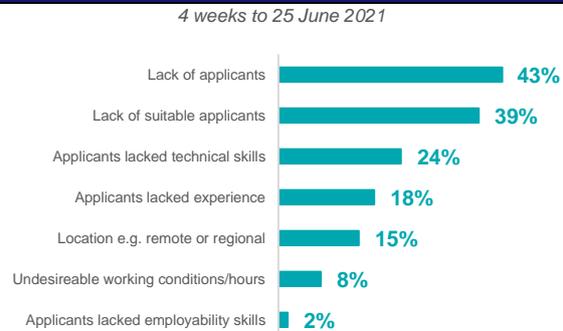
Difficulty by skill level of occupation as a proportion of recruiting employers



Difficulty by 'collared' occupation as a proportion of recruiting employers



Reason for recruitment difficulty as a proportion of employers who reported difficulty



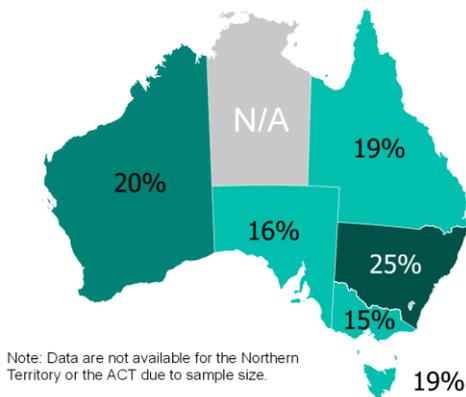
³ In this report, lower skilled refers to occupations with an ANZSCO Skill Level of 4 or 5, while higher skilled refers to ANZSCO Skill Levels 1, 2 or 3.

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.

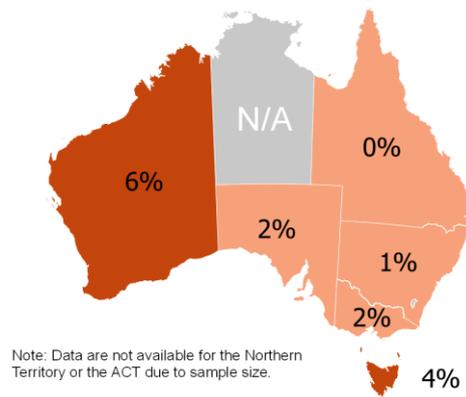
Staffing outlook

- In June 2021, 20% of employers expected to increase their staffing levels over the next 3 months, slightly lower than the 21% recorded in May 2021.
- Employers in New South Wales (25%) were the most likely to expect to increase their staffing levels over the next 3 months, while Victoria (15%) had the lowest proportion.
- Over the past month, expectations to increase staffing levels in both Rest of State areas and Capital Cities fell slightly to stand at 19% and 21% respectively.
- Expectations to increase staffing levels for businesses with 5 to 19 employees rose slightly to 18% in June 2021. For businesses with 20 or more employees, expectations to increase staffing levels fell considerably from 37% in May 2021 to 28% in June 2021.
- Expectations to increase staffing levels decreased across most of the reported industries from May 2021 to June 2021. Employers in the Accommodation and Food Services (27%) industry remain the most likely to expect to increase their staffing levels over the next 3 months, while employers in the Retail Trade industry (13%) remain the least likely of the reported industries.

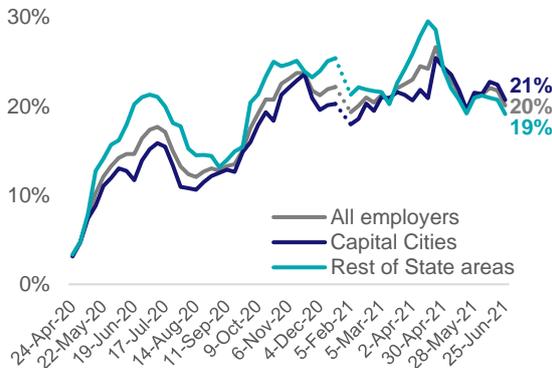
Expectations to increase staff as a proportion of all employers



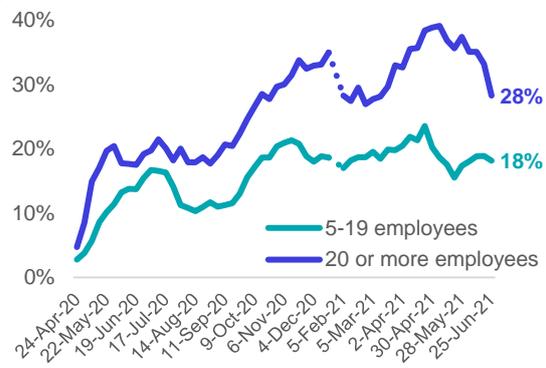
Expectations to decrease staff as a proportion of all employers



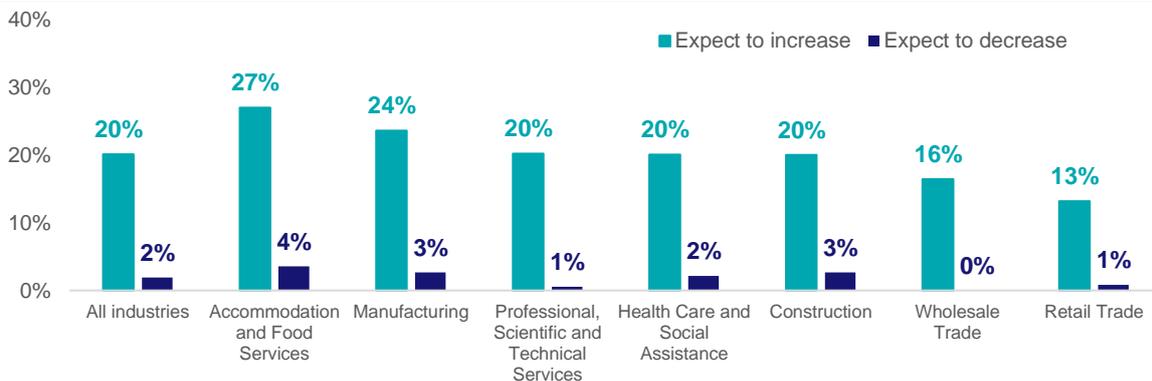
Expectations to increase staff by region type as a proportion of all employers



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.

Spotlight: Recruitment experiences and expectations within the Accommodation and Food Services industry

This month's Spotlight provides information about employers' recruitment experiences and staffing outlook in the Accommodation and Food Services industry by ANZSIC industry sub-sector⁶. 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).⁷

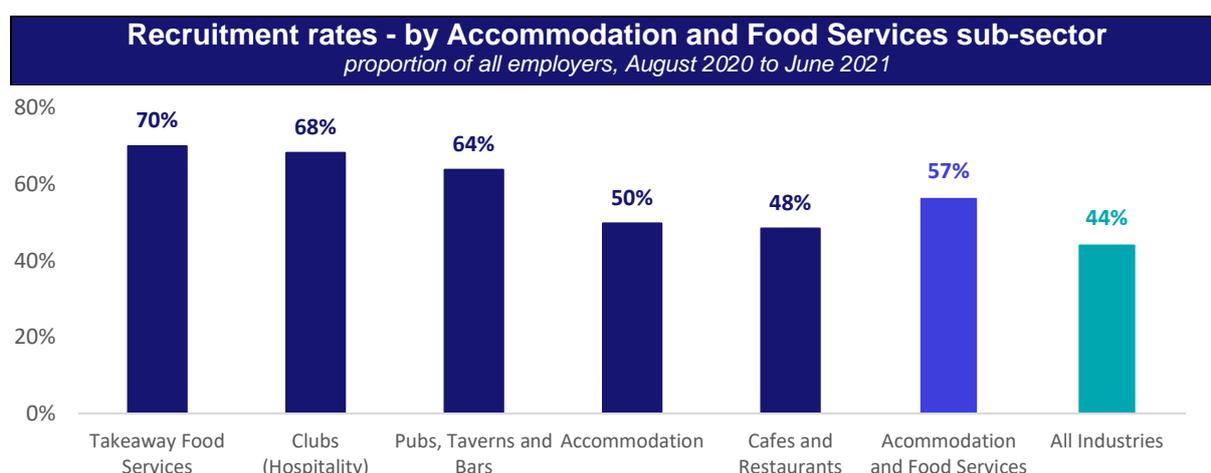
Employers in the Accommodation and Food Services industry have high levels of recruitment, often driven by turnover, and frequently expect to increase staff numbers over the next 3 months. Recruitment difficulty is relatively common in the industry, but varies greatly depending on the occupation being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



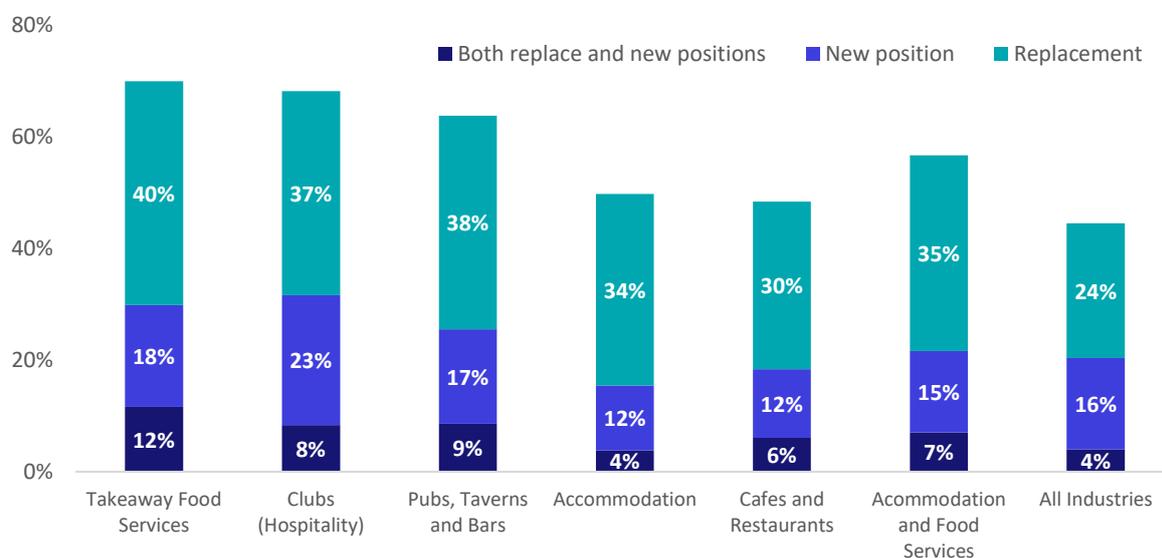
The chart on the following page shows for each industry sub-sector whether employers recruited due to turnover, to fill a new position, or both. Overall, employers in Accommodation and Food Services recruited only to replace staff at a much higher rate than all industries (35% compared with 24%). This suggests that the above average recruitment rate for the industry is largely driven by higher levels of turnover. Employers in the Takeaway Food Services sub-sector (40%) were the most likely to recruit

⁶ In this report, 'sub-sector' refers to the ANZSIC classification at the 4-digit level.

⁷ 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>).

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%).

Reason for recruitment - by Accommodation and Food Services sub-sector *proportion of all employers, August 2020 to June 2021*

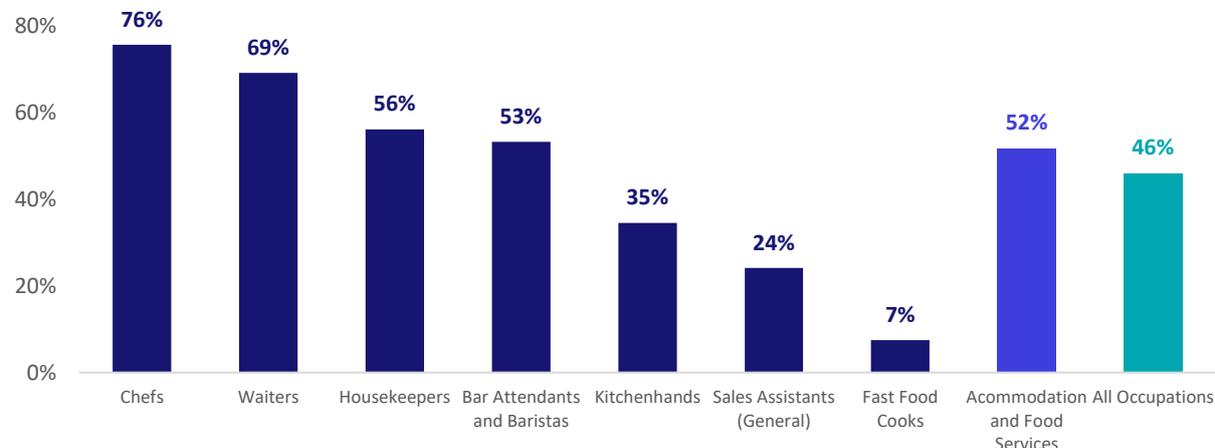


Recruiting employers in the Accommodation and Food Services industry were more likely to have had difficulty compared with the average of all industries (52% compared with 46%). The Cafés and Restaurants sub-sector (66%) had the highest proportion of employers who experienced recruitment difficulty, 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 demand⁸.

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

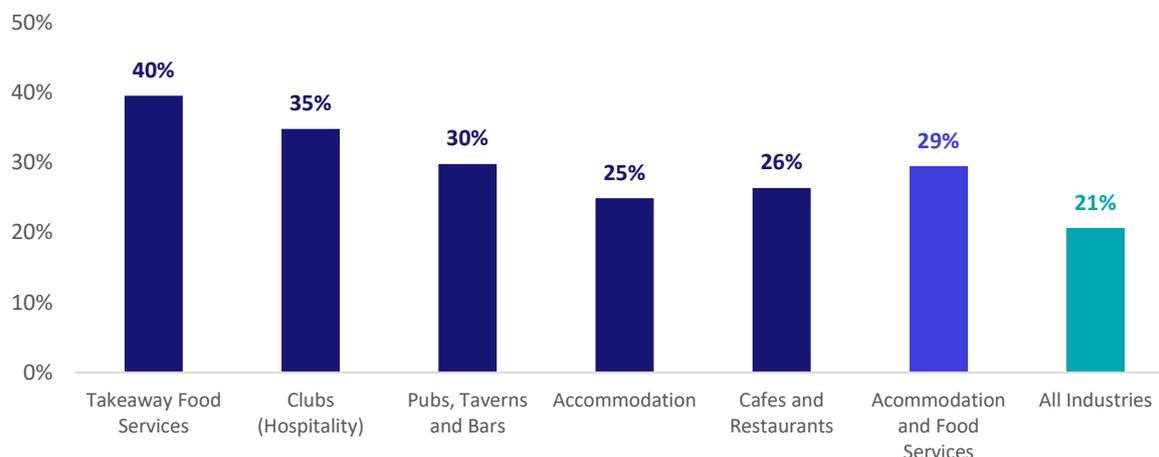
Rate of recruitment difficulty - by Occupation *proportion of recruiting employers, August 2020 to June 2021*



⁸ 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%).

Expect to increase staff numbers - by Accommodation and Food Services sub-sector
proportion of all employers, August 2020 to June 2021



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 used 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	February 2021	4 weeks to 26 February 2021
September 2020	4 weeks to 25 September 2020	March 2021	4 weeks to 2 April 2021
October 2020	4 weeks to 30 October 2020	April 2021	4 weeks to 30 April 2021
November 2020	4 weeks to 27 November 2020	May 2021	4 weeks to 28 May 2021
December 2020	4 weeks to 18 December 2020	June 2021	4 weeks to 25 June 2021
January 2021	4 weeks to 5 February 2021		

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, June 2021.

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