

Do people who get a job already have a job? What does this tell us about the competition unemployed job seekers face when applying for jobs? What kind of jobs do jobless people get? To gain some insight into these questions, the National Skills Commission has been asking successfully recruiting employers¹ whether the people they recently hired already had a job. This Spotlight presents the initial findings from this question.

Key findings:

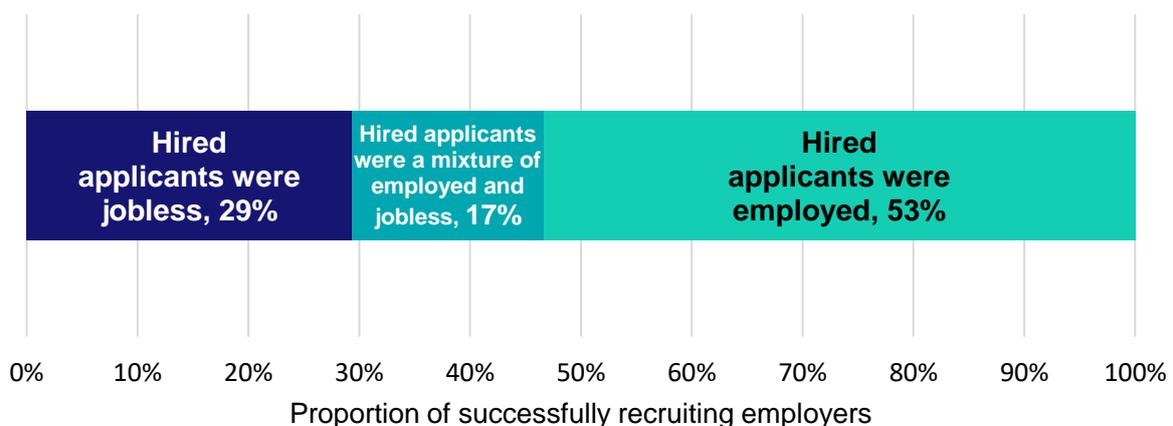
- Of the employers who recently filled vacancies:
 - 47% hired people who were jobless (all new hires were jobless for 29% of employers, and 17% hired a combination of people with a job and people without).
 - 53% hired only people who already had a job
- People who are jobless are more likely to be hired for:
 - positions that don't require experience;
 - casual positions;
 - part time positions; and
 - positions that don't require post-school education (Skill Level 5 positions)
 - ABS *Participation, Job Search and Mobility* data suggests jobless people who attain Skill Level 5 positions are often teenagers aged 15 to 19 years.

As with most other Recruitment Experiences and Outlook Survey (REOS) indicators, the proportions presented in this Spotlight exclude 'unsure' responses. However, this question received a notably high proportion of 'unsure' responses (21% of employers who were asked the question were 'unsure'). These results should therefore be treated with a degree of caution.

Overall results

All the recent hires were jobless for over a quarter (29%) of successfully recruiting employers, while 16% hired both jobless people and people who had a job. The remaining 55% of employers hired only people who already had a job.

Prior job status of employers' recent hires
(% of successfully recruiting employers, 23 November 2021 - 1 April 2022)



¹ 'Successfully recruiting employers' are those who filled at least 1 vacancy in their most recent recruitment round from the last month. From 23 November 2021 to 1 April 2022, 53% of employers were currently recruiting or had recruited in the past month. Of these, 60% had filled at least one vacancy and were therefore asked about the job status of their recent hires.

Results by vacancy characteristics

The prior job status of recent hires varied according to the experience requirements of the position they were hired for.

Employers requiring relevant experience were more likely to hire applicants who were employed at the time of recruitment (all had jobs for 66% of employers) compared with those who didn't require relevant experience (36%). In contrast, employers who didn't require relevant experience were more likely to hire people without a job (43%) compared with those employers who required experience (20%).

Relevant experience is a common requirement in the labour market - nearly two thirds of recruiting employers say they require relevant experience.² The data below shows that even when relevant experience is *not* required, employers often end up hiring someone who already has a job (and therefore has some recent work experience).³

This finding emphasises the importance of work experience in giving unemployed job seekers the best chance of finding a job.



Jobless applicants are more likely to be hired for casual positions (as opposed to non-casual positions) and part-time positions (as opposed to full-time positions). Nearly half (45%) of employers who filled casual positions hired only jobless applicants, compared with 20% of employers who filled non-casual positions. Likewise, 42% of employers who filled part-time positions hired only jobless applicants, compared with 22% of employers who filled full-time positions.

The data suggests that casual and part-time positions provide the best opportunities for jobless applicants to get a foothold in the labour market.

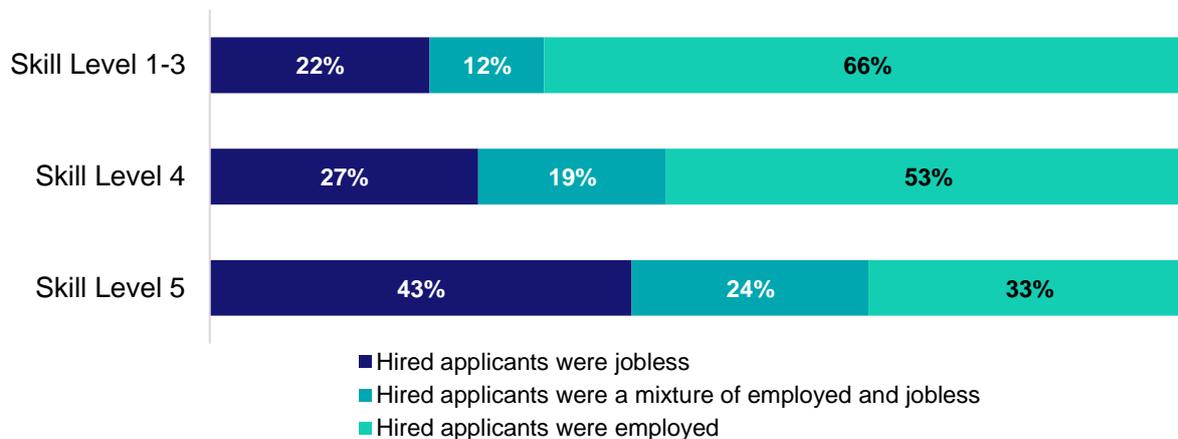


² Based on REOS data collected from May 2021 to March 2022.

³ Note that 'jobless' hired applicants were jobless at the time of being hired but may have recently had a job and therefore may have had recent work experience.

Employers who filled vacancies for Skill Levels 1, 2 or 3 (jobs requiring a Certificate III or higher) were more likely to recruit employed applicants (66%) compared with employers filling lower Skill Level positions. Some 43% of the employers who filled Skill Level 5 vacancies (which don't require post-school education) filled all their vacancies with jobless people.

Prior job status of employers' recent hires – by skill level of the vacancy
 (% of successfully recruiting employers, 23 November 2021 – 1 April 2022)

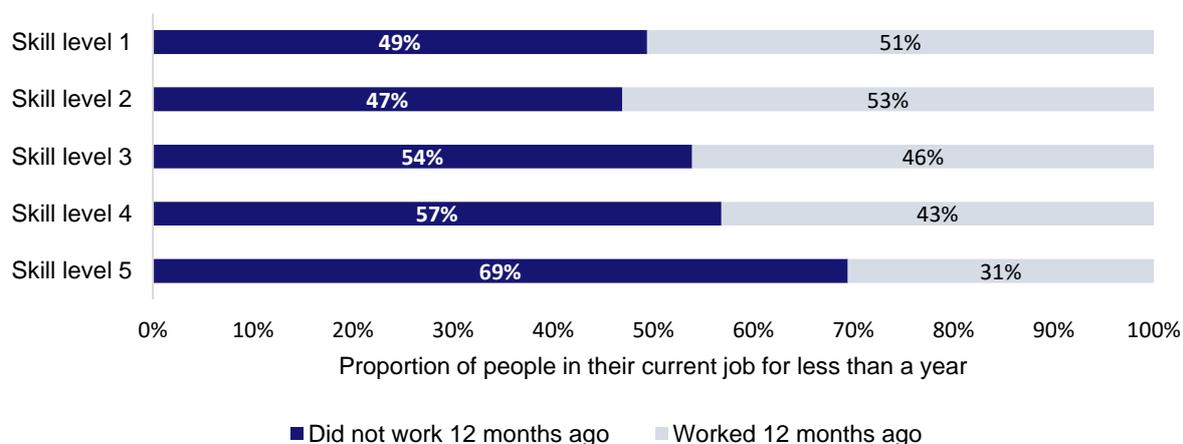


ABS data shows a similar trend

ABS *Participation, Job Search and Mobility* data shows a similar trend, but from the perspective of recently hired people. It can tell us what proportion of recently hired people⁴ were not working a year ago, which can be used as an approximation of the proportion of recently hired people who didn't have a job at the time when they were hired.⁵

The proportion of recently hired people who were not working a year ago shows a similar trend to REOS data when disaggregated by Skill Level of the vacancy recently filled. The chart below shows that 69%⁶ of recently hired persons in Skill Level 5 jobs were not working a year ago. This is significantly higher than the proportions of newly employed people in Skill Level 1 (49%), Skill Level 2 (47%), Skill Level 3 (54%) and Skill Level 4 (57%) jobs who were not working a year ago.

People in their current job for less than a year – whether worked 12 months ago
 February 2021



⁴ 'Recently hired people' are defined as people working in their current job for less than a year.

⁵ Note that this is an approximation; it is possible for some of these people to have been employed in another job when they were hired for their current job, and still not have been working a year ago.

⁶ ABS *Participation, Job Search and Mobility*, February 2021

The high proportion of jobless people moving into Skill Level 5 jobs is driven in part by teenagers. As shown in the chart below, people aged 15 to 19 years make up a significant share of the recently hired people in Skill Level 5 jobs who were not working a year ago – far more so than for other Skill Levels. Many of these young people are likely to be entering the jobs market for the first time.

**People in their current job for less than a year who weren't working 12 months ago
– age breakdown
February 2021**

