

Recruitment activity¹

42%

Change since December 2021:
▼9% pts

Recruitment difficulty rate

68%

Change since December 2021:
▲11% pts

Expect to increase staff

21%

Change since December 2021:
▼5% pts

Key findings from the Recruitment Experiences and Outlook Survey (REOS)²

Note: Due to reduced data collection in January each year, results for this month exhibit a higher level of volatility.

- REOS results show that in January 2022 recruitment activity has eased and fewer employers expect to increase their staff numbers.³ Around two thirds of the employers who are recruiting, however, report having difficulty filling their vacancies.
- Recruitment activity stood at 42% of employers in January 2022, down 9 percentage points from 51% in December 2021, and the lowest level since September 2021.
 - The recruitment rate in Capital Cities (43%) is slightly higher than in Rest of State areas (41%).
 - While recruitment rates are down in the REOS, the NSC's Internet Vacancy Index has shown a notable increase in online job advertisements for January 2022.
- The recruitment difficulty rate has increased by 11 percentage points over the month to a record high of 68% of recruiting employers. However, the proportion of *all* employers (29%), is the same as last month (also 29%) due to the reduced level of recruitment this month.
- Only 5% of employers increased staffing levels over the past month, a decrease of 6 percentage points on December 2021. Some 11% of employers decreased staffing levels in January 2022, up by 2 percentage points on December 2021.
 - The 'net staffing change' of -6 percentage points is the lowest since May 2020.
- The proportion of employers with staff stood down or on reduced hours stands at 9% this month, an increase of 3 percentage points from December 2021.
- In January 2022, employers less commonly expected to increase staff over the next 3 months (21%) than they did in December 2021 (26%).
- The proportion of employers expecting to decrease staff (4%) increased by 2 percentage points over the month.
- This month's Spotlight shows which industries and occupations are most likely to recruit for new positions, and which are most likely to recruit to replace staff.

¹ Note: Recruitment activity refers to the proportion of all employers who are 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 all employers who expect to increase staff numbers over the next three months.

² REOS results may not reflect the full impact that outbreaks of COVID-19 and associated restrictions have had on employers and their recruitment experiences since the survey is unable to gather data from employers who have closed down (even temporarily) and response rates can vary significantly by industry in areas under lockdown restrictions.

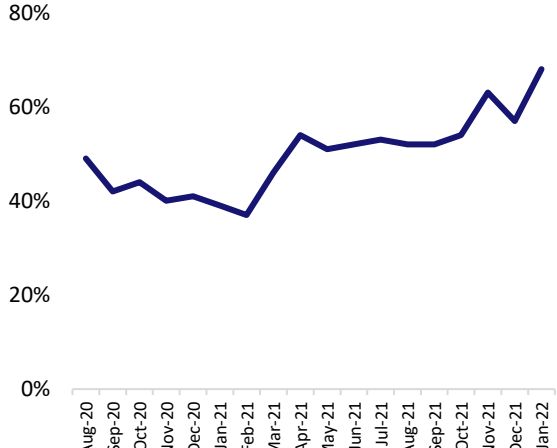
³ Note that REOS results are not seasonally adjusted and are therefore affected by seasonal factors particularly around the holiday period.

Recruitment indicators – key charts

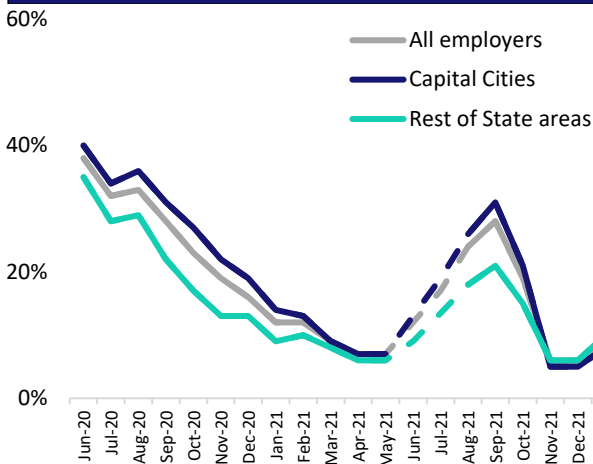
Recruitment activity
Proportion of employers



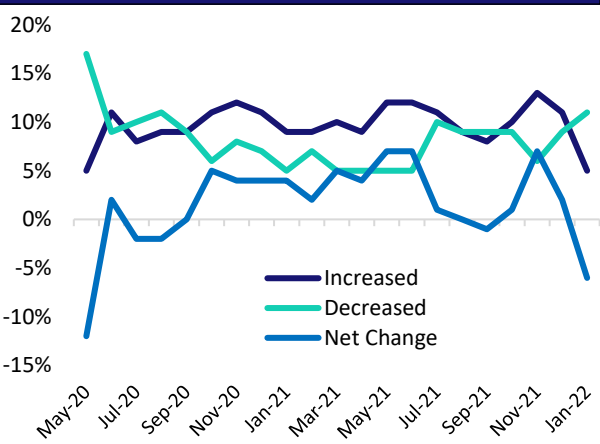
Recruitment difficulty
Proportion of recruiting employers



Had staff stood down / on reduced hours
Proportion of employers



Increased / decreased staff over the past month
Proportion of employers



Employers who expect to increase staff numbers over the next 3 months
Proportion of employers

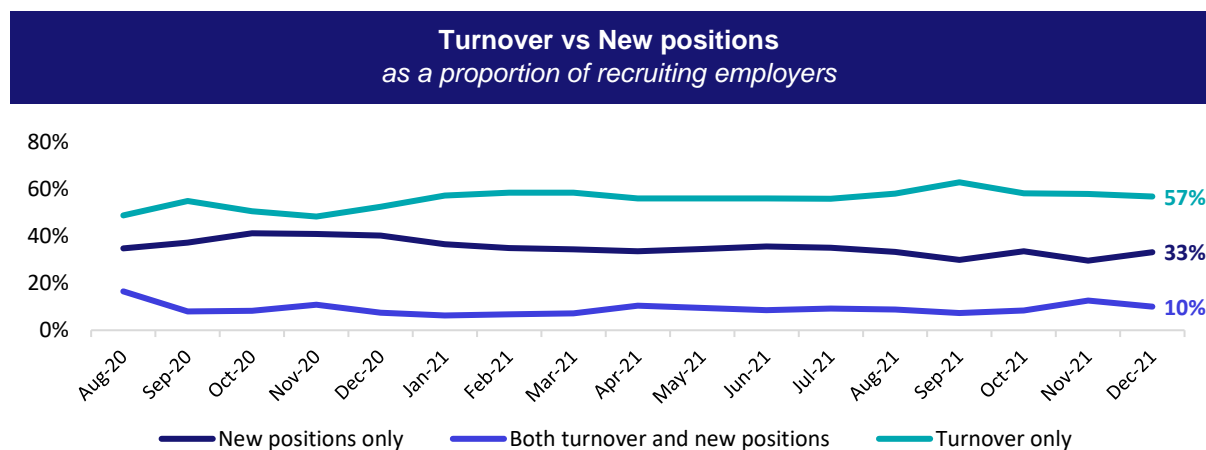


Spotlight: Reason for recruitment by industry and occupation

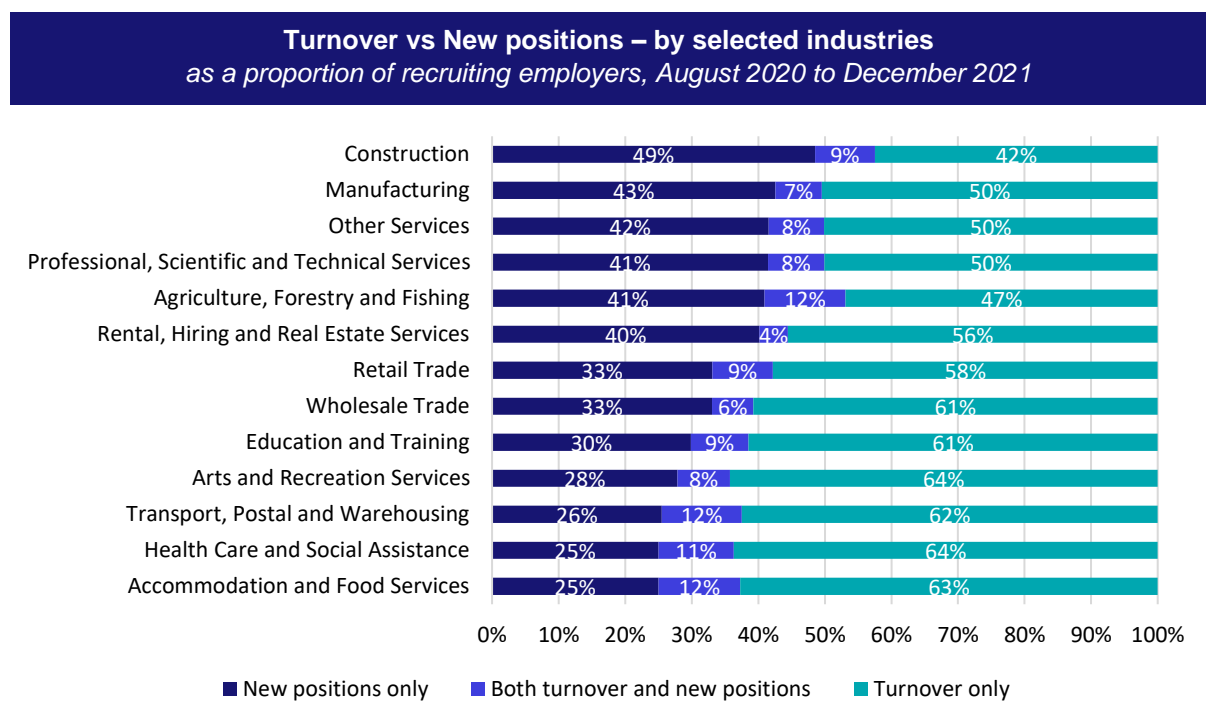
For employers that are in the process of recruiting at the time of the survey or had recruited in the past month, the REOS includes a question about whether the recruitment was to fill a new position or replace someone who left the business.

Nationally, as at December 2021, more than half (57%) of recruiting employers recruited only to replace staff, with 33% recruiting only for new positions. The remaining 10% of recruiting employers were both trying to fill new positions and replace staff who had left.

These proportions have remained relatively stable over the past year, which was noted in a recent NSC blog which looked at evidence (or lack-there-of) for the Great Resignation.⁴



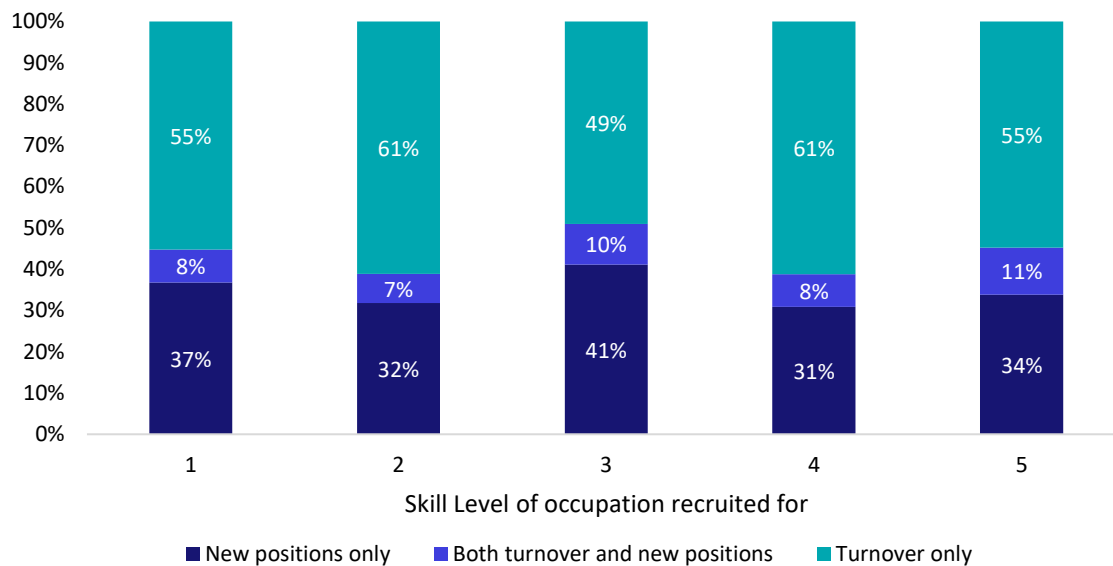
Results by industry show that employers most often recruited for new positions (only) in Construction (49%), Manufacturing (43%) and Other Services (42%). On the other hand, the industries in which employers most often recruited only to replace staff were Health Care and Social Assistance (64%), Arts and Recreation Services (64%), and Accommodation and Food Services (63%).



⁴ [Looking for The Great Resignation? What the data tells us so far. | National Skills Commission](#)

Skill Level 3 occupations (which require a Certificate III or IV and include trades occupations) saw the greatest amount of recruitment to only fill new positions (41%), while Skill Level 2 (requiring a Diploma or Advanced Diploma) and Skill Level 4 (requiring a Certificate II or III) occupations had the highest proportion of recruitment to replace staff only (both 61%). The high proportion of recruitment for new Skill Level 3 positions is driven, in part, by apprenticeships for trade occupations.

Turnover vs New positions – skill level of occupation
as a proportion of recruiting employers, August 2020 to December 2021



Looking at specific occupation groups (3-digit ANZSCO) provides a more in-depth picture of where there are new positions being recruited for and where there is high turnover of staff.

Receptionists (72%), School Teachers (71%), and Food Trades Workers (68%) were the occupations with the highest replacement rates. The skill levels of these occupations varied, with School Teachers a Skill Level 1 occupation, Checkout Operators and Office Cashiers at Skill Level 5, and Receptionists a Skill Level 4 occupation. Around a third of Pubs Taverns and Bars, which often employ Food Trades Workers, report having difficulty retaining staff.

Employers trying to recruit for Checkout Operators and Office Cashiers and Personal Carers and Assistants were often trying to fill new positions in addition to replacing staff (both 18%).

The occupations for which employers were most often recruiting to only fill new positions were Technicians and Trades Workers. Of note, as shown in the chart on the next page, the top two occupations (Electricians; Bricklayers, and Carpenters and Joiners) where recruitment was to only fill new positions align broadly with large increases in the numbers of trade apprenticeship commencements in the year to June 2021.⁵

⁵ National Centre for Vocational Educational Research, *Apprentices and Trainees – Quarterly: June 2021*, VOCSTATS.

Turnover vs New positions – by occupation
as a proportion of recruiting employers, August 2020 to December 2021

