

# Labour and skills availability: impacts on rural enterprise

State of Rural Enterprise Report

No 7, February 2024

**How many rural businesses find it difficult to recruit or retain suitably-skilled staff?**



**37%**  
difficulty in recruiting

**1%**  
difficulty in retaining

**14%**  
difficulty in recruiting and retaining

## Of those rural businesses facing difficulties:

### Why do they struggle to recruit or retain staff?



**89%**

limited local pool of suitable labour, compared to **80% of urban businesses**



**40%**

low wage levels



**41%**

lack of suitable opportunities for apprenticeships or training



**39%**

poor public transport for employees, compared to **16% of urban businesses**



**39%**

lack of affordable housing for employees, compared to **27% of urban businesses**



**29%**

people living locally can now chose to work remotely

### What specific skills gaps do they have?



**16%**

technical expertise for business



**11%**

engineering-related



**10%**

hospitality



**10%**

mechanical/electrical manual labour



**9%**

construction/building manual labour



**4%**

health and social care



### What are the impacts of labour shortage challenges on them?

**38%**

lose business or orders

**36%**

have difficulties meeting existing demand

**33%**

delay developing new products or services

**31%**

outsource work

**30%**

withdraw from offering certain products or services



### What strategies do they deploy to address difficulties in staff recruitment and retention?

**20%**

target marketing/advertising

**12%**

collaborate with other businesses/organisations on recruitment or apprenticeships

**11%**

increase salaries

**11%**

provide more opportunities for new employees