

Wednesday, 26 August 2020

Two-thirds of working Australians have had their employment impacted by COVID-19 – Victoria, NSW & Tasmania hardest hit

New research from Roy Morgan into the impact of COVID-19 on Australia's employment market shows two-thirds of working Australians (67%) have had 'a change to their employment' due to the pandemic.

Interviewing was conducted throughout July 2020 with a nationally representative cross-section of 3,863 working Australians using a combination of telephone and online interviews (multi-mode).

Australians in the workforce were asked: "As a result of the Coronavirus Crisis, have you experienced any of the following employment changes."

Some people reported several changes to their working conditions since the Coronavirus like being stood down, having reduced hours and working from home. This reflects the changing nature of the situation for companies and employees as they navigate the crisis.

ALL Employment changes mentioned as impacting on workers because of COVID-19:

	<u>May 2020</u>	<u>July 2020</u>
Now working from home	4.3 million (28%)	3.9 million (25%)
Having work hours reduced	3.3 million (22%)	3.2 million (21%)
My business has slowed or stopped completely	2.9 million (19%)	2.3 million (15%)
Had an increase in their work hours	1.9 million (12%)	2.0 million (13%)
Stood down for a period of time	1.7 million (11%)	1.5 million (9%)
No work available	1.3 million (9%)	1.2 million (7%)
Had their pay reduced for same number of work hours	880,000 (6%)	960,000 (6%)
Been made redundant	490,000 (3%)	620,000 (4%)
Have taken leave to avoid loss of pay	680,000 (4%)	480,000 (3%)
Some other change to employment	1.3 million (9%)	1.3 million (8%)
TOTAL Had a change to employment	11.2 million (72%)	10.4 million (67%)
NO changes to employment	3.5 million (23%)	4.2 million (27%)
Was not employed prior to COVID-19	730,000 (5%)	860,000 (6%)
Working Australians	15.4 million	15.5 million

*The figures in each column add to over 100% as many respondents mentioned more than one employment change they've had because of the coronavirus.

For the 1.3 million (8%) who cite 'some other change to their employment' this includes being put on enforced leave, changes in work rostering, social distancing measures at work, split shifts, an increase in responsibility, a halt to business growth, precautions put in place at work, being in a vulnerable group for COVID-19 so not being able to take work and an inability to see clients face-to-face.

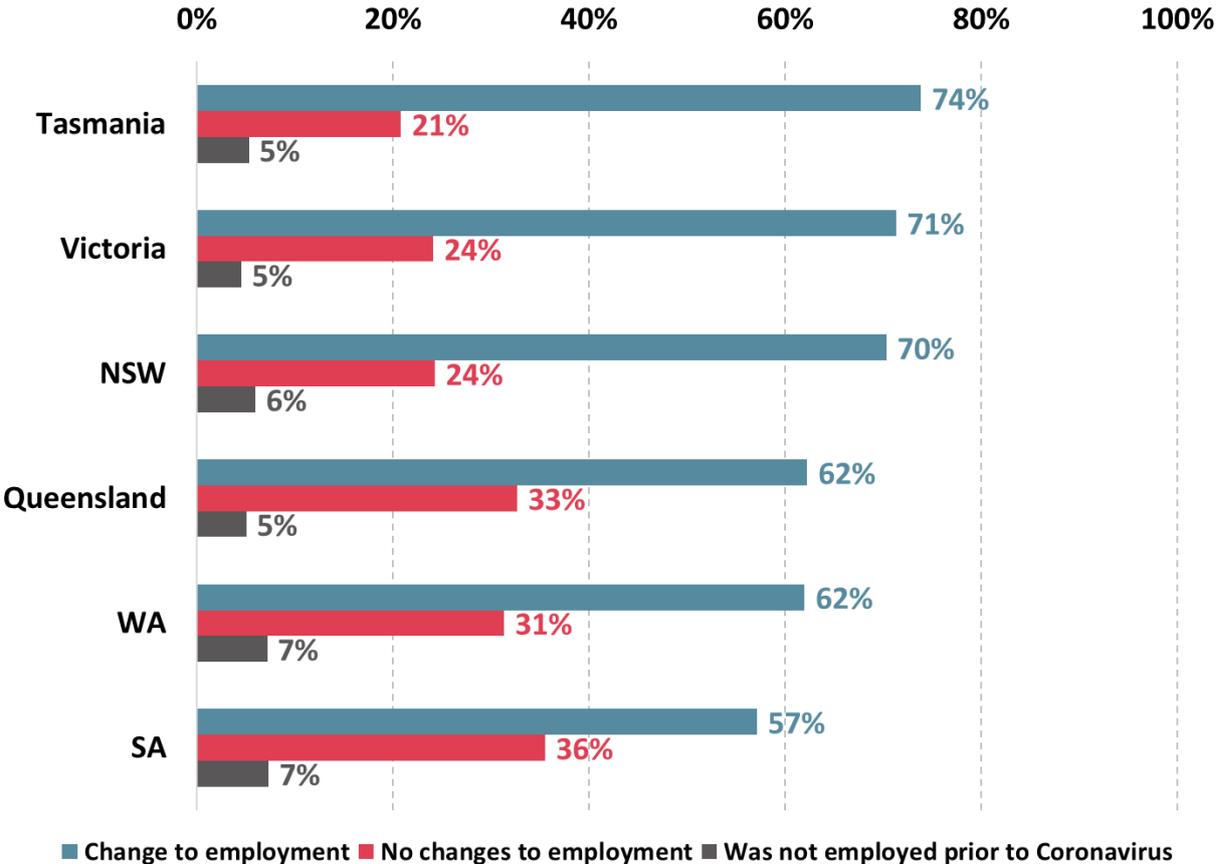
Biggest employment impact of COVID-19 is in New South Wales, Victoria and Tasmania

Looking at the impact of the Coronavirus on employment at a State-based level shows the biggest impact in the three States which have had the most devastating outbreaks.

Nearly three-quarters of working Tasmanians (74%) have had a change to their employment due to the impact of the Coronavirus just ahead of people working in Victoria (71%) and New South Wales (70%).

The impact has been noticeably less in the three States which have dealt most effectively with COVID-19 and only 57% of working people in South Australia have had a change to their employment and 62% in each of Western Australia and Queensland.

Impact of the Coronavirus on employment By State.



Source: Roy Morgan multi-mode survey of Australians conducted during July 2020, n=3,863.
Base: Working Australians aged 14+. Respondents could nominate multiple employment changes.

Nearly a third of working people in New South Wales and Victoria worked from home in July

The most common employment change for working people in the two largest states is people working from home mentioned by 30% of working people in Victoria and 29% of those working in New South Wales.

A higher proportion of working people in New South Wales (22%) than Victoria (21%) have had their working hours reduced while one-in-six working Australians in both states say their businesses have slowed or stopped completely.

Working people in Victoria are more likely than their counterparts in New South Wales to have been stood down for a period of time (12% cf. 8%), to have had their pay reduced for the same number of work hours (7% cf. 6%), to have no work available (9% cf. 6%), to have been made redundant (5% cf. 4%) or to have taken leave to avoid loss of pay (4% cf. 3%).

ALL Employment changes mentioned as impacting on workers as a result of COVID-19:

	NSW	Victoria
Now working from home	1.5 million (29%)	1.2 million (30%)
Having work hours reduced	1.1 million (22%)	870,000 (21%)
My business has slowed or stopped completely	810,000 (16%)	650,000 (16%)
Had an increase in their work hours	730,000 (14%)	440,000 (11%)
Stood down for a period of time	400,000 (8%)	480,000 (12%)
Had their pay reduced for same number of work hours	320,000 (6%)	300,000 (7%)
No work available	280,000 (6%)	370,000 (9%)
Been made redundant	210,000 (4%)	200,000 (5%)
Have taken leave to avoid loss of pay	140,000 (3%)	150,000 (4%)
Some other change to employment	440,000 (9%)	360,000 (9%)
TOTAL Had a change to employment	3.5 million (70%)	2.9 million (71%)
NO changes to employment	1.2 million (24%)	1 million (24%)
Was not employed prior to COVID-19	270,000 (6%)	190,000 (5%)
Working Australians	5 million	4.1 million

*The figures in each column add to over 100% as many respondents mentioned more than one employment change they've had because of the coronavirus.

Roy Morgan CEO Michele Levine says COVID-19 is continuing to be the main driver of Australia's economic situation in 2020 with renewed lockdowns and restrictions enforced around the country in response to the second wave of the pandemic that began in June in Victoria:

"The second wave of the Coronavirus Crisis since June has been far more deadly than the first, but heavily concentrated in Victoria rather than felt equally around the nation. However, there have been significant spillover effects into NSW with hundreds of new cases linked to Victoria and the renewed outbreak has led other States such as Tasmania, Queensland, and Western Australia to keep their borders closed.

"In response to the second wave the Federal Government has extended JobKeeper until the end of March 2021 and the JobSeeker supplement payment has been extended until the end of 2020 but this still leaves millions of Australians and many businesses facing an uncertain future. The latest [Roy Morgan's July unemployment estimates showed 1.8 million Australians](#) were unemployed in July with a further 1.5 million under-employed.

"Even so the 3.5 million Australians looking for work or looking for more work is dwarfed by the 10.4 million working Australians in July who have had their employment changed by the impact of the Coronavirus Crisis. The most widespread impact is being forced to work from home for 25% of working Australians (3.9 million) – which rises to 29% in NSW and 30% in Victoria.

"In addition, 3.2 million working Australians (21%) have had their working hours reduced, 2.3 million have had their business slow or stop completely (15%) and over 1 million have been stood down for a period of time (9%) and/or had no work available (7%).

“It’s important to understand that when the JobKeeper wage subsidy ends in April 2021 many employees that have had a changed employment situation due to the COVID-19 pandemic may well find themselves out of work as their employer adjusts to the economic reality without an ongoing wage subsidy.

“The Federal Budget set to be delivered by Treasurer Josh Frydenberg in early October must provide a clear roadmap for the Australian economy to navigate the next few years including cutting excessive regulations, providing proper incentives for businesses to invest in growth and new employees and reducing high penalty rates that discourage businesses from opening on weekends and public holidays.”

For further comment or more information contact:

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About Roy Morgan

Roy Morgan is Australia’s largest independent Australian research company, with offices in each state, as well as in the U.S. and U.K. A full-service research organisation, Roy Morgan has over 78 years’ experience collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
1,000	±3.0	±2.7	±1.9	±1.3
2,000	±2.1	±1.9	±1.3	±1.0
5,000	±1.4	±1.2	±0.8	±0.6
10,000	±1.0	±0.8	±0.6	±0.4