

Monday, 2 November 2020

70% of working Australians' employment impacted by COVID-19 – second lockdown hits Victoria hard.

New research from Roy Morgan into the impact of COVID-19 on Australia's employment market shows 70% of working Australians have now had 'a change to their employment' due to the pandemic.

Interviewing was conducted throughout September 2020 with a nationally representative cross-section of 4,059 working Australians using a combination of telephone and online interviews (multi-mode).

Working Australians 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>July 2020</u>	<u>September 2020</u>
Now working from home	3.9 million (25%)	4.2 million (27%)
Having work hours reduced	3.2 million (21%)	3.1 million (20%)
My business has slowed or stopped completely	2.3 million (15%)	2.3 million (15%)
Had an increase in their work hours	2.0 million (13%)	2.2 million (14%)
Stood down for a period of time	1.5 million (9%)	1.6 million (10%)
No work available	1.2 million (7%)	1.2 million (8%)
Had their pay reduced for same number of work hours	960,000 (6%)	970,000 (6%)
Been made redundant	620,000 (4%)	740,000 (5%)
Have taken leave to avoid loss of pay	480,000 (3%)	580,000 (4%)
Some other change to employment	1.3 million (8%)	1.6 million (10%)
TOTAL Had a change to employment	10.4 million (67%)	10.8 million (70%)
NO changes to employment	4.2 million (27%)	3.8 million (24%)
Was not employed prior to COVID-19	860,000 (6%)	910,000 (6%)
Working Australians	15.5 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. All percentages have been rounded to the nearest whole number.

For the 1.6 million (10%) 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 Victoria after second lockdown

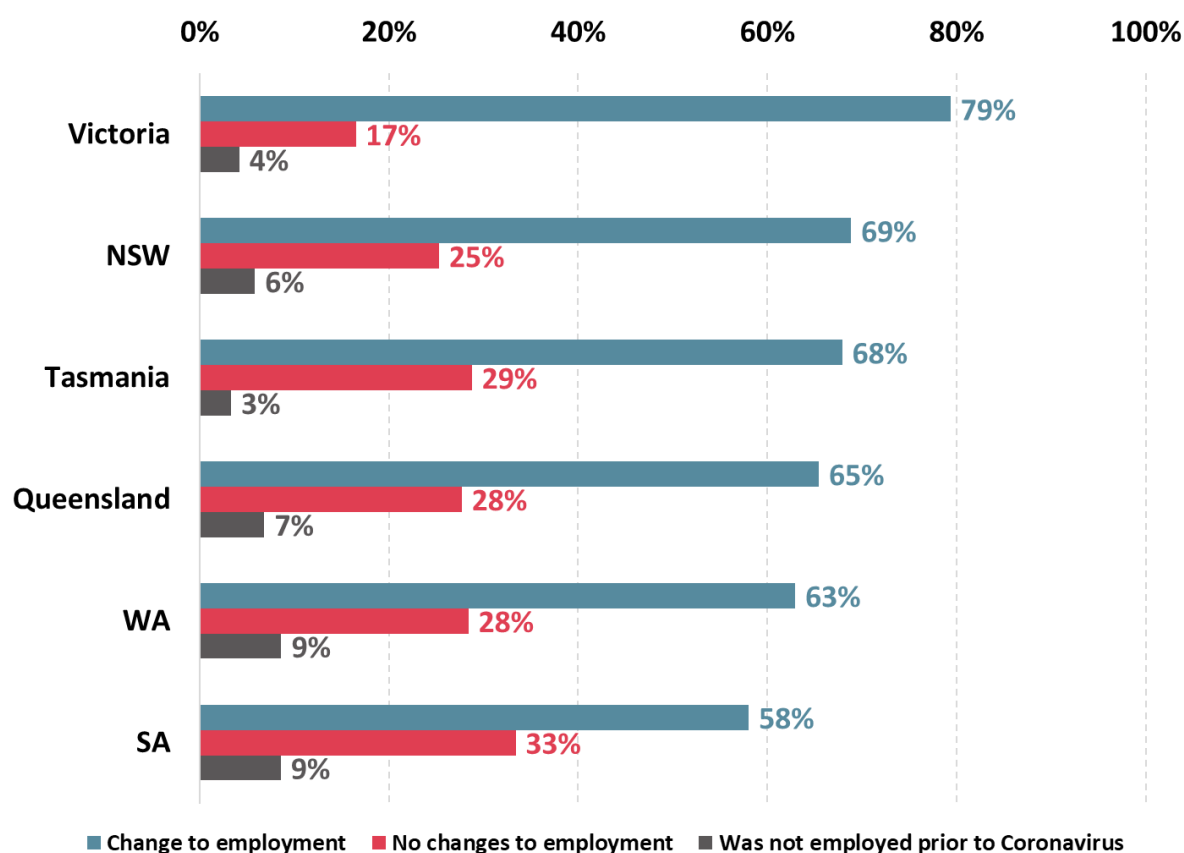
Looking at the impact of the Coronavirus on employment at a State-based level shows clearly the biggest impact is in Victoria which was in hard lockdown throughout September.

Nearly four-fifths of working Victorians (79%) have had a change to their employment due to the impact of the Coronavirus – a full 10% points ahead of any other State.

The two next most impacted States are New South Wales (69%) and Tasmania (68%). These States have endured the second biggest health problems due to the Coronavirus.

The three States to experience the least impact on employment have also dealt most effectively with COVID-19 on the health front. Under two-thirds of working people in Queensland (65%), Western Australia (63%) and only 58% in South Australia have had an impact on their employment due to the Coronavirus.

Impact of the Coronavirus on employment By State



Source: Roy Morgan multi-mode survey of Australians conducted during September 2020, n=4,059.

Base: Working Australians aged 14+. Respondents could nominate multiple employment changes.

Industries most impacted are Recreation & Personal, Communication and Finance & Insurance

Some industries have experienced larger employment impacts than others and unsurprisingly Recreation & Personal is at the top with nearly nine-in-ten workers (89%) in this industry experiencing an employment change due to the Coronavirus.

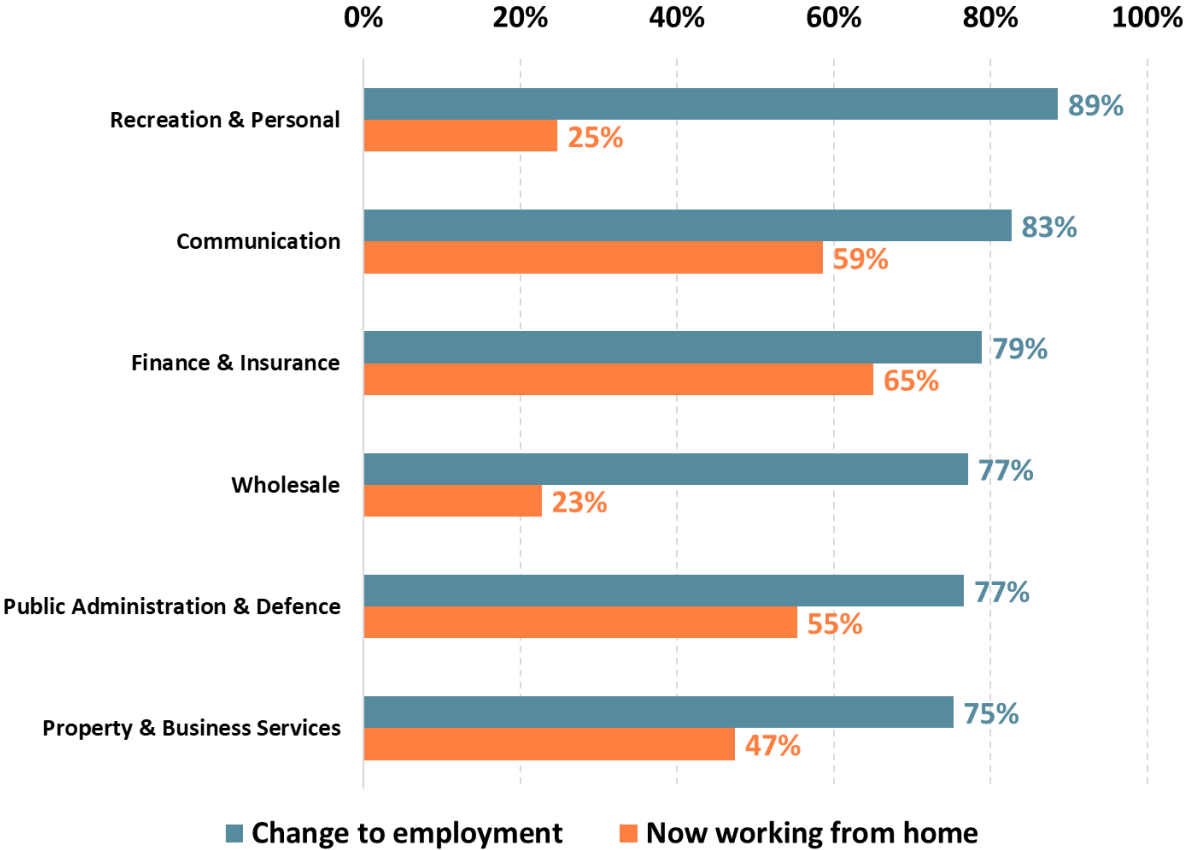
Other industries to experience far greater employment impacts than the norm include Communication (83%), Finance & Insurance (79%), Wholesale (77%), Public Administration & Defence (77%) and Property & Business Services (75%).

For most of these industries the biggest employment impact from the Coronavirus is forcing employees to work from home. This includes 65% of people working in Finance & Insurance, 59% in Communication, 55% in Public Administration & Defence and 47% in Property & Business Services.

In contrast only 25% of people in the Recreation & Personal industry have been working from home and only 23% of people in the Wholesale industry.

The biggest employment impacts experienced by Recreation & Personal workers are having their business 'slow or stop completely' (40%) or having their 'work hours reduced' (38%). For workers in the Wholesale industry the biggest impact is felt by the 31% who have had their 'work hours reduced'.

Industries with the biggest employment impacts from Coronavirus on employment



Source: Roy Morgan multi-mode survey of Australians conducted during September 2020, n=4,059.
Base: Working Australians aged 14+. Respondents could nominate multiple employment changes.

Roy Morgan CEO Michele Levine says although the immediate health threat of COVID-19 is finally receding in Victoria, the ongoing impact on the Australian economy and the employment situations for Australians is set to continue as the country enters a 'COVID-normal' period:

"Last week marked the end of Victoria's long second lockdown which ran for nearly 16 weeks from Thursday July 9 until Wednesday October 28. However, the end of the lockdown doesn't mean a return to normality for Victorians, or even for other Australians living in States that continue to keep their borders largely closed to Victorians.

"Melburnians have already been advised to work from home for the remainder of 2020 if possible and 4.2 million Australians around the country continued to work from home in September long after many States had essentially eliminated community transmission of the Coronavirus.

"This is the largest employment impact felt by working Australians but close behind are the 3.1 million Australians who 'have had their work hours reduced' and 2.3 million who say their 'business has slowed or stopped completely'. In addition, 1.6 million have been 'stood down for a period of time' and 1.2 million say there is 'no work available'.

“Several indicators regarding the employment impact of the Coronavirus have increased between July and September including ‘being stood down for a period of time’, ‘having pay reduced for the same number of work hours’, ‘being made redundant’ and ‘taking leave to avoid loss of pay’.

“The increasing impact of COVID-19 on employment is not surprising when one considers that several Government support measures are now being reduced and will eventually be withdrawn. These include the cut to the JobSeeker supplement at the end of September and the reduction in the JobKeeper wage subsidy in early October. Both are set to be further reduced after Christmas.

“To understand the full impact of COVID-19 it’s important to look more deeply into the data. The employment impacts of the Coronavirus are not evenly shared across different industries. The most impacted industry is Recreation & Personal which generally relies on close human contact – in which 89% of workers have been impacted – including 71% with a ‘negative’ employment impact.*

“Four additional industries with large negative employment impacts on people working in the industry include Wholesale (66%), Retail (48%), Construction (44%) and Transport & Storage (44%).

“Other industries to experience a large impact include Communication (83%), Finance & Insurance (79%), Public Administration & Defence (77%) and Property & Business Services (75%) – with large shares of people working in these industries now working from home – and that in turn has a large impact on businesses that rely on office-workers on day-to-day basis.”

For further comment or more information contact:

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**Negative employment impacts include ‘Having work hours reduced’, ‘My business has slowed or stopped completely’, ‘Stood down for a period of time’, ‘No work available’, ‘Had their pay reduced for the same number of work hours’, ‘Been made redundant’, ‘Have taken leave to avoid loss of pay’ or ‘Some other change to employment’.*

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