



Australian Government



National Skills Commission

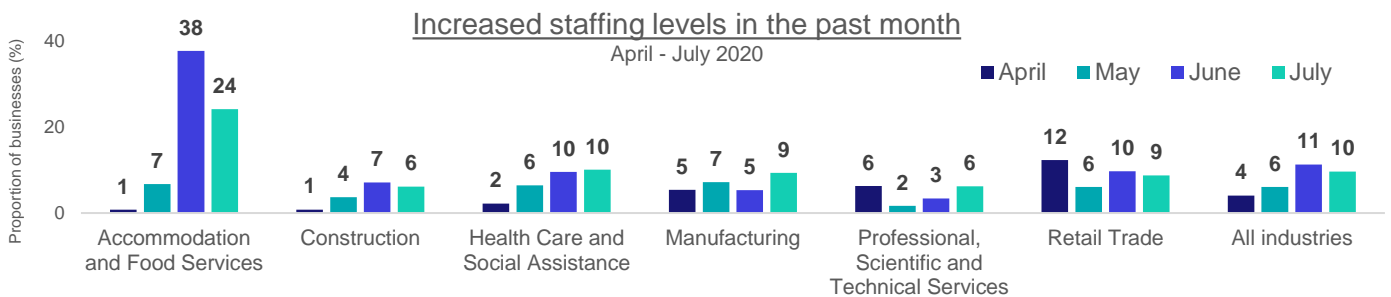
Impacts of COVID-19 on businesses – staffing changes in selected industries

Publication date: 4 September 2020

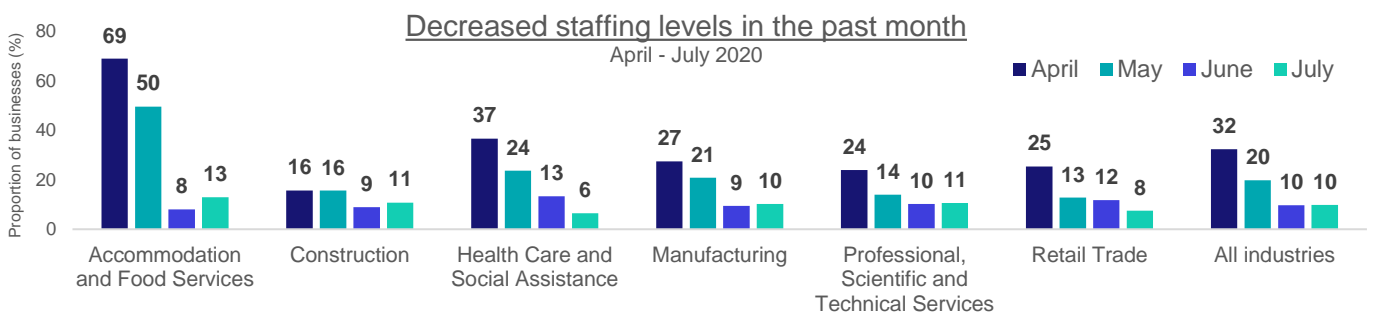
The National Skills Commission is conducting a survey of businesses across Australia to assess the impact of the COVID-19 pandemic. This report provides an update on recent staffing changes and the current impacts on businesses in six industries. The data in this report will not reflect the Stage 4 restrictions implemented in Melbourne from 2 August.

Recent staffing changes – April to July 2020¹

- At the time of the survey, the proportion of businesses that had increased staffing levels in the past month stood at 10 per cent² in July 2020. While this is similar to the June result it is well above the 4 per cent recorded in April¹, when lockdown restrictions were in place across much of Australia.
- In July, businesses in the Accommodation and Food Services industry were most likely to have increased staff in the past month (24 per cent) reflecting the easing of restrictions. While the proportion of businesses that had increased staffing levels was lower than in June, it was well above the 1 per cent of businesses in April when restrictions were at their peak.



- In July, the proportion of businesses that had decreased staffing levels in the past month was virtually unchanged from June. Compared with April, however, the proportion of businesses that had decreased staff had declined across all six industries, with significant falls in Accommodation and Food Services (from 69 per cent of businesses in April to 13 per cent in July), and Health Care and Social Assistance (from 37 per cent to 6 per cent).

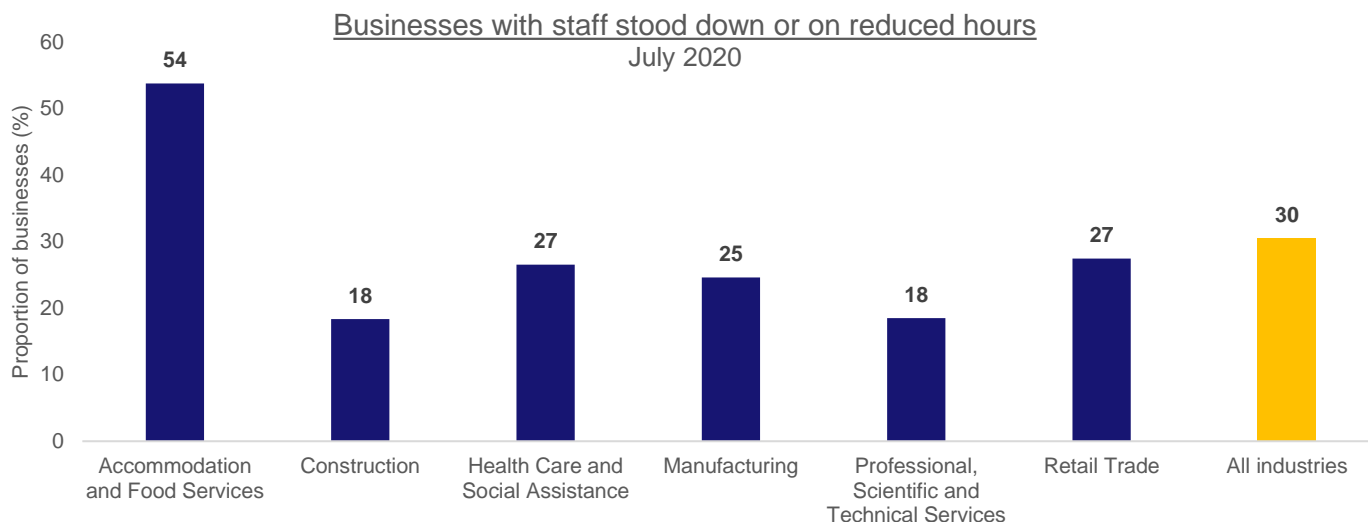


¹ Respondents in April were asked about changes and actions since the onset of the COVID-19 pandemic. In May, June and July questions referred to staffing changes in the past month.

² This figure includes all industries, including those not separately reported on in this report due to low sample sizes.

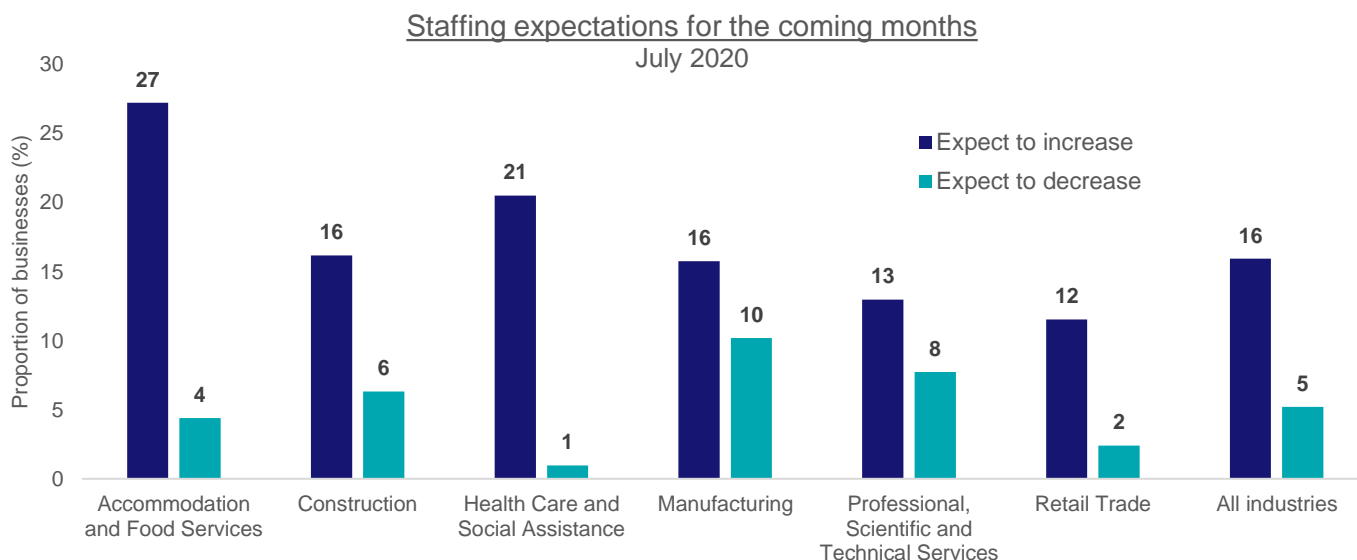
Businesses with staff stood down or on reduced hours – July 2020

- While around a quarter of businesses in Accommodation and Food Services had increased staffing levels between June and July, 54 per cent of businesses in the industry still had staff stood down or on reduced hours, the highest of the industries included in this report. Health Care and Social Assistance, Retail Trade and Manufacturing all had at least 25 per cent of businesses with staff who were stood down or on reduced hours.
- Businesses in the Professional, Scientific and Technical Services and Construction industries were the least likely to have had staff stood down or on reduced hours in July (both 18 per cent).



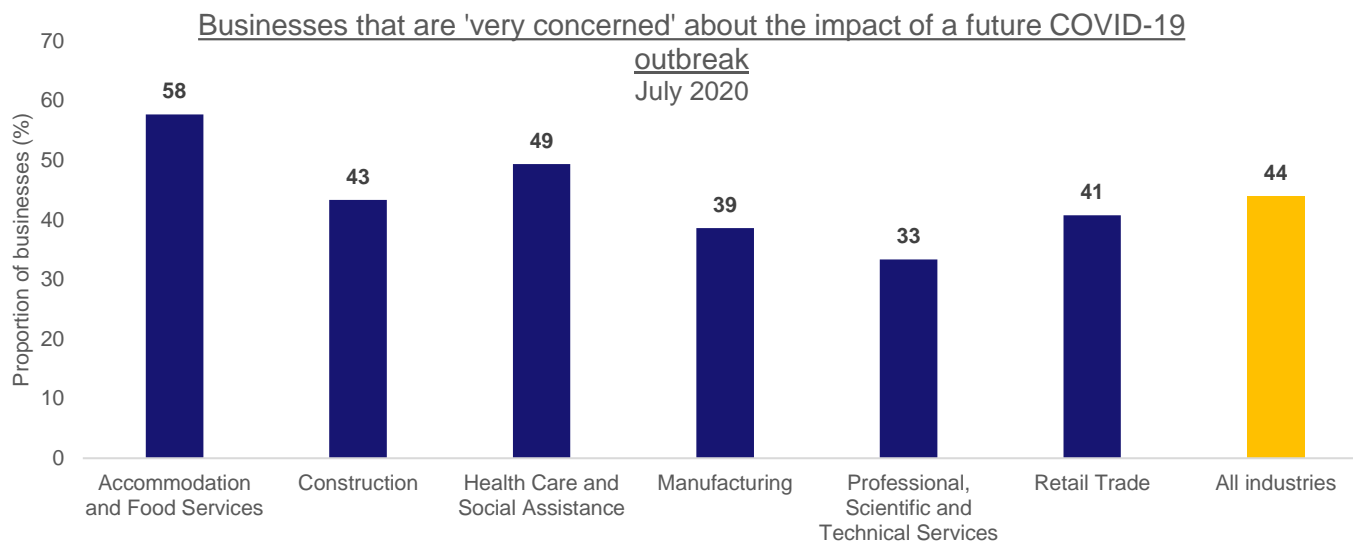
Future staffing expectations – July 2020

- In July, businesses in Accommodation and Food Services were the most likely of the six industries to expect staffing levels to increase in the coming months (27 per cent of businesses), followed by Health Care and Social Assistance (21 per cent).
- Businesses in Retail Trade were the least likely to expect to increase staffing levels in the coming months (12 per cent of businesses).
- Some 10 per cent of businesses in Manufacturing expected to decrease staff in the coming months, the highest of the six industries, followed by Professional, Scientific and Technical Services (8 per cent), and Construction (6 per cent).



Concern about future outbreaks of COVID-19 (excluding Victoria)³

- In July, 44 per cent of businesses were 'very concerned' about the impact that a future outbreak of COVID-19 would have on their business. Not surprisingly, businesses in Accommodation and Food Services were most likely to be 'very concerned' (58 per cent), followed by Health Care and Social Assistance (49 per cent).
- Businesses in the Professional, Scientific and Technical Services industry were least likely to be 'very concerned' about the impact of a future outbreak (33 per cent of businesses).



Comments from businesses⁴

Below is a selection of comments from businesses which provide further insight into the impacts of the COVID-19 pandemic.

Accommodation and Food Services

- *We are already feeling a downturn from the second wave. We are located in the CBD and, with the recent surge in cases, we're expecting most of our customers will be working from home.* (Fast food restaurant, New South Wales)
- *We were closed for eleven weeks due to the pandemic. New government restrictions have added a lot more work for the staff with cleaning procedures and safe work practices. It's been difficult to find staff as the job is not as glamorous or appealing as it once was.* (Pub, Queensland)

Construction

- *Construction is being affected slowly as projects are being put on hold. We have works in progress so at this stage we're unaffected. We have put in place lots of great practices to keep staff healthy.* (Construction company, South Australia)
- *Consumer confidence is down with fewer people placing orders and committing to projects.* (Structural steel services, New South Wales)

³ Data exclude Victoria due to the significant increase in COVID-19 cases.

⁴ Comments are based on the notes recorded by interviewers. In some cases, these have been amended slightly to reflect the context of the direct conversations with employers.

Health Care and Social Assistance

- *Things are slowly returning to normal now. We have hired two child care workers and a lead educator, and we are looking for another educator. (Child care centre, Australian Capital Territory)*
- *As a psychologist practice, we have felt an increase in demand as a result of the pandemic and have been able to adapt to 'multi-modal' forms of seeing clients, both online and in person. We are concerned about the toll that this is taking on our psychologists themselves. (Psychologist practice, New South Wales)*

Manufacturing

- *We were closed for three months but things are slowly getting better since we've reopened. We have claimed all the assistance we can and rehired staff who were stood down. (Beer manufacturer, Western Australia)*
- *The market for kitchens is slower now. We generally do the more upmarket kitchens but even this is being impacted because people are not willing to spend and are being overly cautious. (Kitchen manufacturer, South Australia)*

Professional, Scientific and Technical Services

- *Things are up in the air at the moment. There is business out there but it's up and down. One week you'll have ten jobs, the next week you'll have none. (Surveying company, New South Wales)*
- *Most of our business comes from taking school photos, so we've been impacted hugely. JobKeeper has saved our business. (Photography company, Victoria)*

Retail Trade

- *Our business has increased, especially as we did not close and we're actually getting a few new customers. We will look at employing a new staff member in October to prepare for Christmas. (Clothing retailer, South Australia)*
- *We are not confident in keeping the business open. The industry has crashed as people are not getting married. JobKeeper and government grants have kept us open so far. (Bridal dress store, New South Wales)*