



Australian Government



National Skills Commission

Impacts of COVID-19 on businesses – update on risks to businesses staying open

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The National Skills Commission is currently conducting a survey of businesses across Australia to assess the impact of the COVID-19 pandemic. This report provides an update on what businesses perceive to be the biggest risks to staying open over the next six months.

In the four weeks to 6 November 2020, 51 per cent of businesses across Australia, and 42 per cent of businesses in Victoria, reported that there were no risks to staying open over the next six months. The proportions of businesses reporting no risks have increased significantly for both Australia and Victoria since the end of August.¹

Businesses that reported no risks to staying open

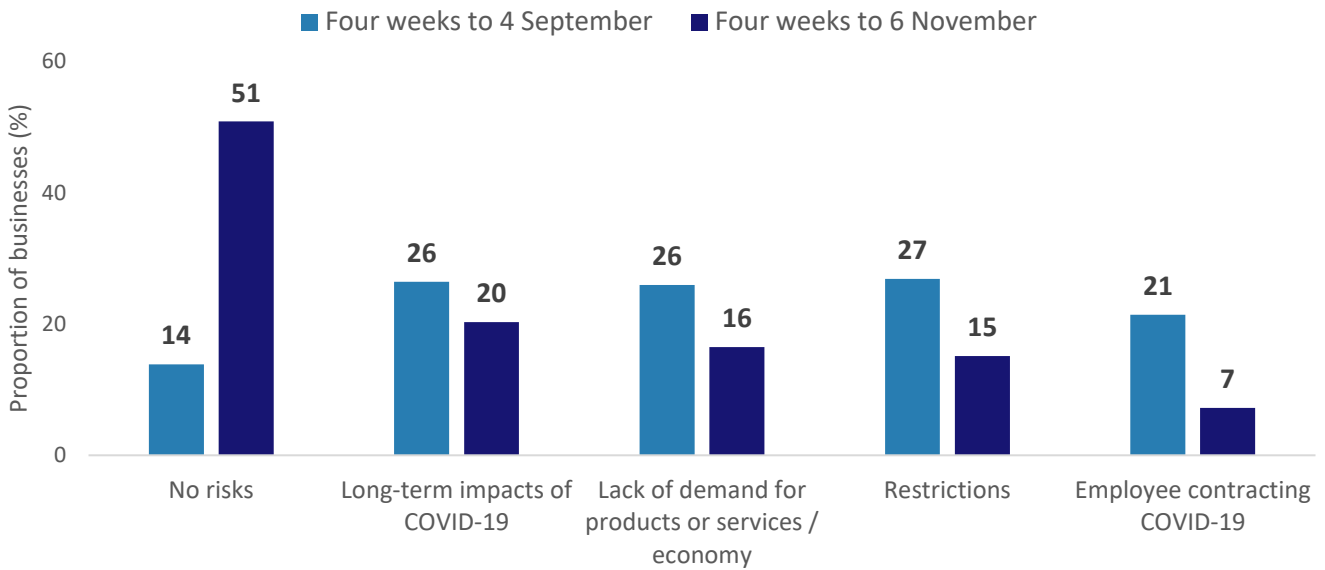


In the four weeks to 6 November 2020, 16 per cent of businesses in Australia reported a lack of demand for products or services or poor economic conditions as a risk to staying open, compared with 26 per cent in the four weeks to 4 September. The proportion of businesses that mentioned restrictions as a risk to staying open also declined from 27 per cent to 15 per cent over this period, while the proportion of businesses that reported an employee contracting COVID-19 as a risk to staying open had decreased by two thirds to 7 per cent.²

¹ While responses of ‘no risks’ can be compared back to the four weeks to 26 June, other responses can only be compared back to the four weeks to 4 September due to changes made to the response categories of the survey question in early August.

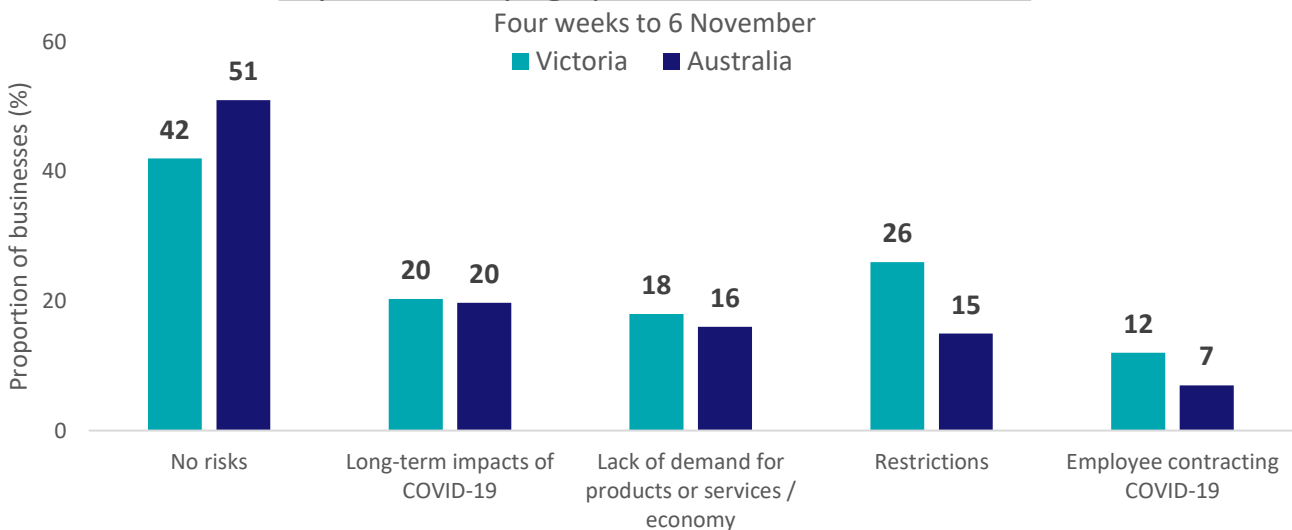
² The *long-term impacts of COVID-19* category captures a broad range of risks related to the ongoing presence and impact of COVID-19, including ongoing border closures, travel restrictions, and risks of recurrent infection waves.

Key risks to staying open over the next six months - Australia



In the four weeks to 6 November, 26 per cent of businesses in Victoria reported restrictions as a risk to staying open, compared with only 15 per cent of businesses in Australia. Businesses in Victoria were more likely to report an employee contracting COVID-19 as a risk to staying open for the next six months compared with Australia (12 per cent and 7 per cent, respectively).

Key risks to staying open over the next six months



The perceived risks to businesses staying open varied significantly by industry:

- Of the selected industries³, businesses in the Professional, Scientific and Technical Services industry were the most likely to have reported no risks (64 per cent), while businesses in the Accommodation and Food Services industry were the least likely to have reported no risks to staying open (44 per cent of businesses).
- Businesses in the Construction industry were the most likely to report a lack of demand for products or services or poor economic conditions as the biggest risk to staying open (27 per cent) followed by businesses in the Manufacturing industry (19 per cent).

³ The 'selected industries' were chosen for reporting based on sample size.

- Some 28 per cent of businesses in the Accommodation and Food Services industry reported that restrictions were the biggest risk to staying open over the next six months, compared with 15 per cent across all industries.
- Businesses in the Health Care and Social Assistance industry were almost twice as likely to report an employee contracting COVID-19 as a risk to their business staying open compared with all industries (13 per cent compared with 7 per cent respectively).

Key risks to staying open - by selected industries - Australia

Four weeks to 6 November

