



Australian Government



National Skills Commission

Impacts of COVID-19 on businesses – staffing and recruitment in Victoria

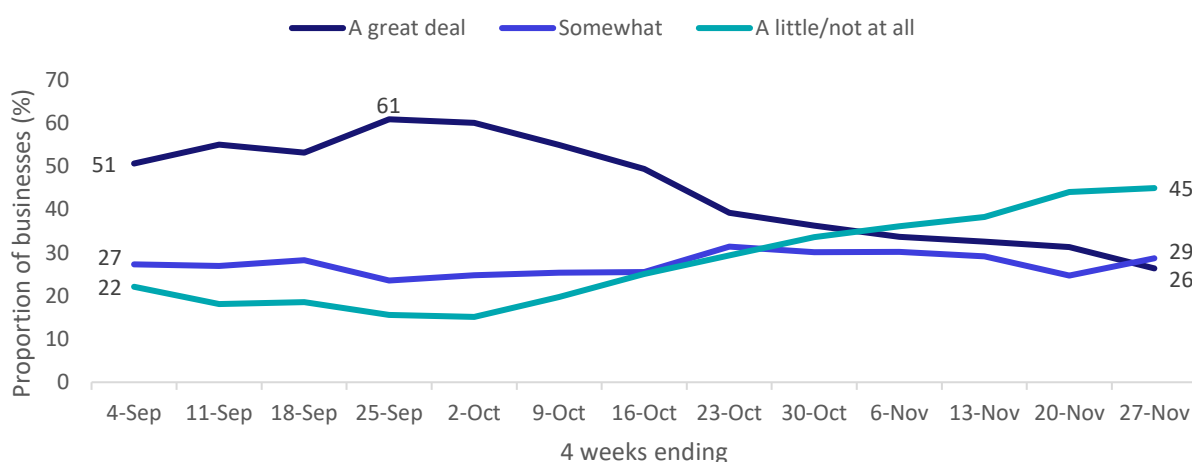
Publication date: 16 December 2020

The National Skills Commission is currently conducting a survey of businesses across Australia to assess the ongoing impact of the COVID-19 pandemic. This report provides information on how staffing and recruitment in Victoria has changed as restrictions in the state eased between September and November.

Extent of the current impact of COVID-19 on businesses in Victoria

The proportion of businesses in Victoria affected by COVID-19 ‘a great deal’ increased from 51 per cent in the four weeks to 4 September to a peak of 61 per cent in the four weeks to 25 September. Since then, the proportion has gradually fallen to stand at 26 per cent in the four weeks to 27 November. Over the same period, the share of businesses in Victoria that reported little to no impact from COVID-19 increased from 22 per cent to 45 per cent in the four weeks to 27 November.

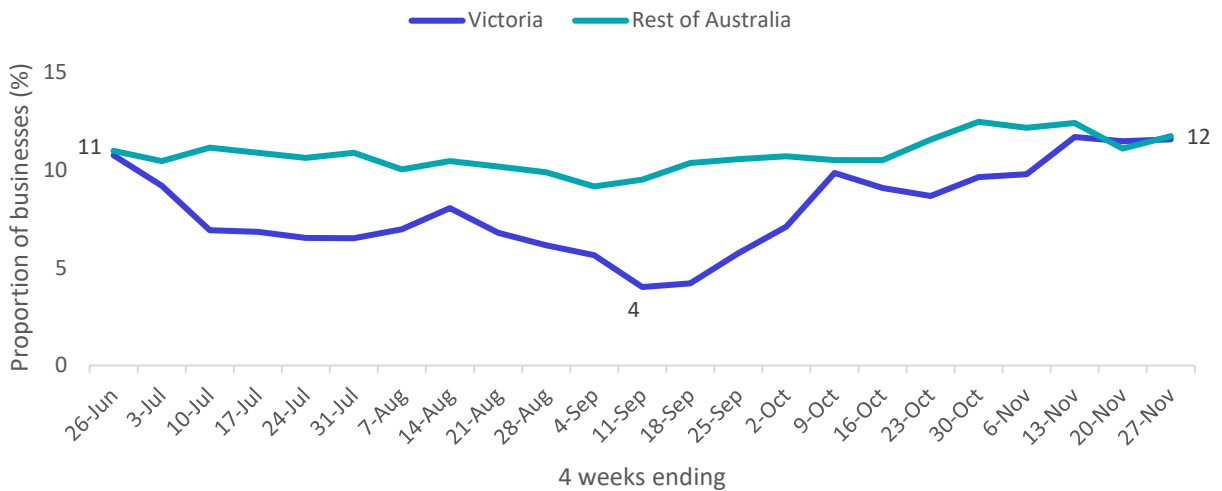
Extent of the current impact of COVID-19 on businesses in Victoria



Changes to staffing numbers in the past month

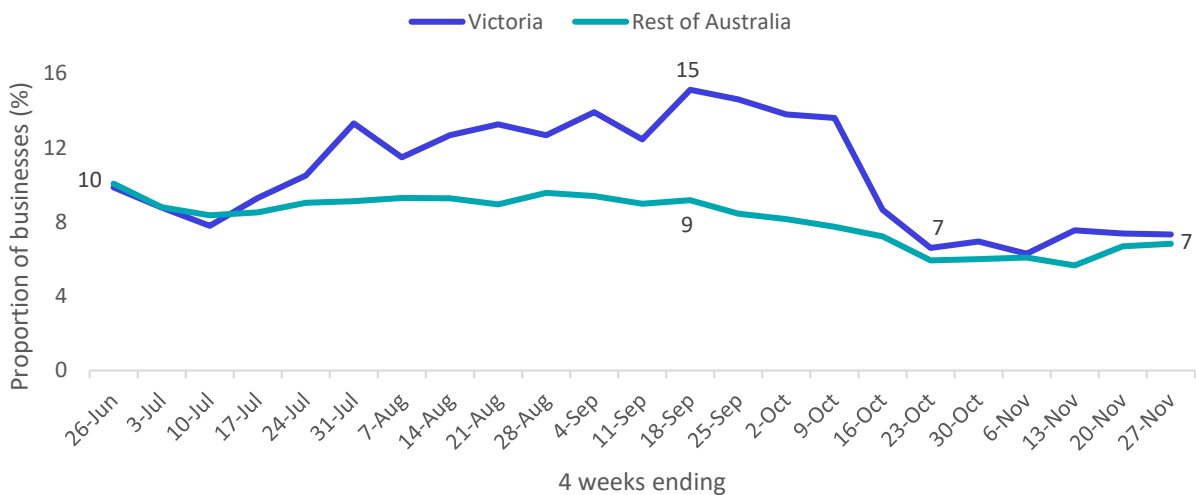
Between the four weeks ending 3 July and the four weeks ending 13 November, the proportion of businesses in Victoria that increased staff numbers in the previous month was consistently lower than the rest of Australia and reached its lowest point of 4 per cent in the four weeks to 11 September. Since then, the proportion has been increasing fairly consistently and now stands at the same level as the rest of Australia (12 per cent).

Businesses that increased staff numbers in the past month



Between the four weeks ending 24 July and the four weeks ending 16 October, the proportion of businesses that had decreased staff numbers in the past month was significantly higher in Victoria compared with the rest of Australia. The proportion for Victoria peaked at 15 per cent in the four weeks ending 18 September, well above the 9 per cent for the rest of Australia. As restrictions eased across the state, the proportion in Victoria fell to around 7 per cent in the four weeks ending 23 October, where it has remained since, in line with the rest of Australia.

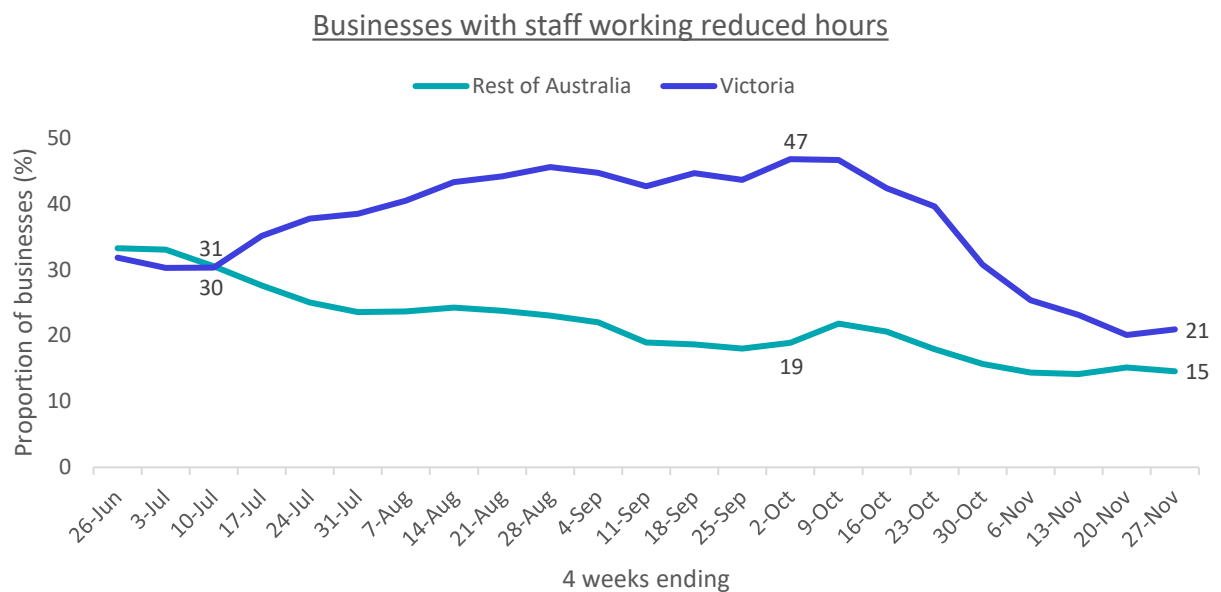
Businesses that decreased staff numbers in the past month



Businesses with staff working reduced hours

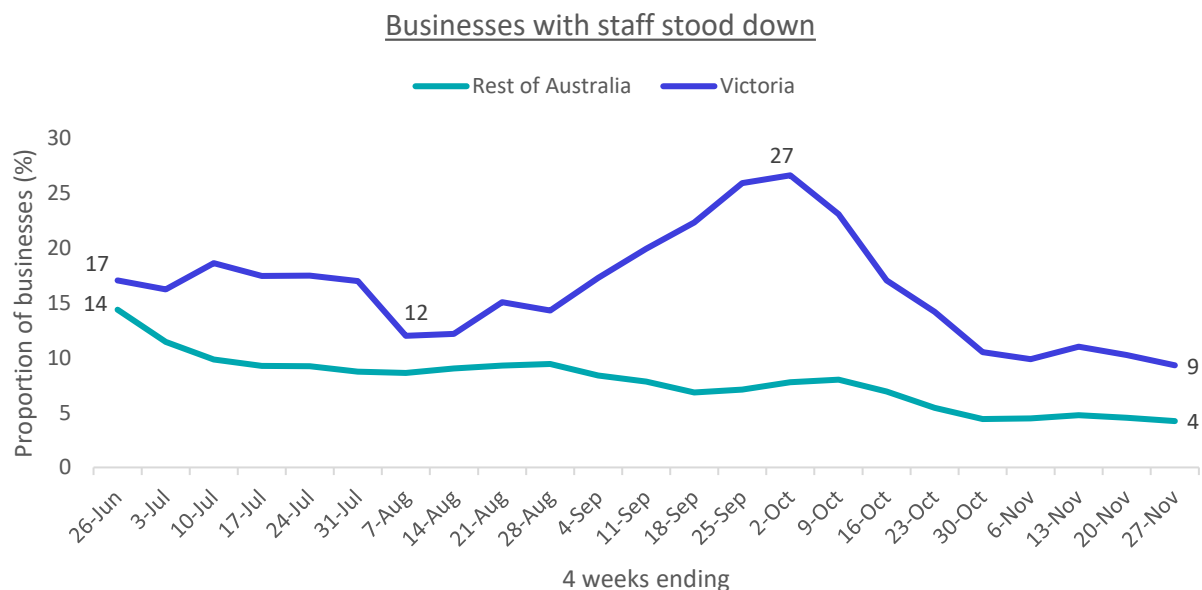
In the four weeks ending 10 July, the proportion of businesses with staff working reduced hours in Victoria was similar to the rest of Australia. In the following months, however, a substantial gap emerged as the proportion in Victoria increased, while in the rest of Australia it declined. This difference was most pronounced in the four weeks to 2 October, when the proportion of businesses in Victoria with staff working reduced hours peaked at 47 per cent, 28 percentage points higher than the rest of Australia. In the following weeks, as restrictions

eased in the state, the proportion in Victoria decreased by more than half to stand at 21 per cent in the four weeks to 27 November.



Businesses with staff stood down

Since the four weeks ending 26 June, the proportion of businesses with staff stood down has remained consistently higher in Victoria than in the rest of Australia. After reaching a peak of 27 per cent in the four weeks to 2 October, the proportion of businesses in Victoria with staff stood down has fallen to 9 per cent in the four weeks to 27 November, although it still remains more than double the rate for the rest of Australia.



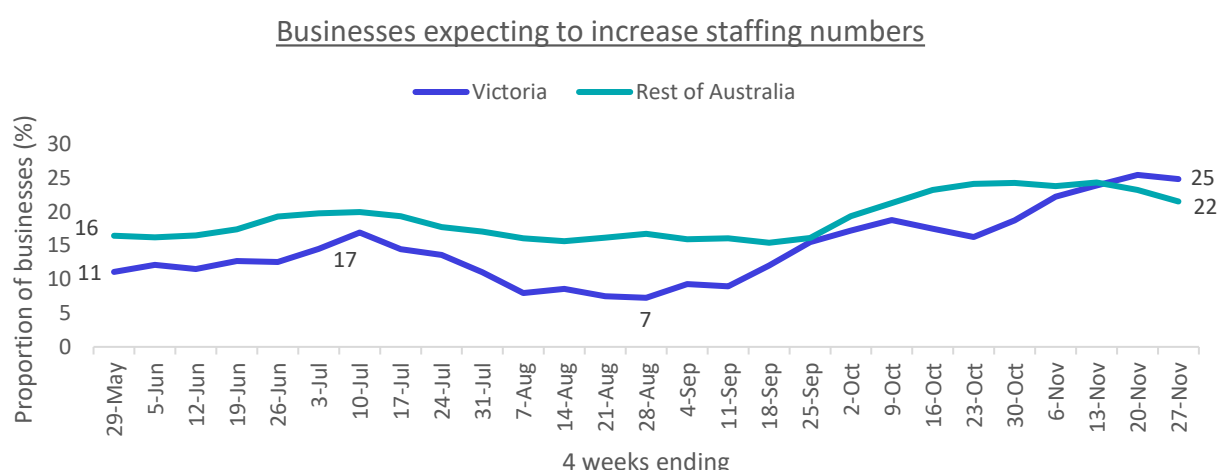
Proportion of businesses recruiting¹

The proportion of businesses in Victoria recruiting has been consistently lower than the rest of Australia over the last five months. Encouragingly, the proportion of Victorian businesses recruiting has more than doubled since the four weeks to 18 September to now stand at 40 per cent.



Staffing expectations for the coming months²

Until recently, businesses in Victoria were less likely to expect to increase staffing numbers over the coming months compared with those in the rest of Australia. Expectations to increase staffing numbers reached a low of just 7 per cent in the four weeks to 28 August. With the recent easing of restrictions across the state, the proportion of businesses expecting to increase staff numbers has been increasing steadily and now stands at 25 per cent, 3 percentage points above the average for the rest of the country.



¹ Recruitment includes current recruitment activity and recruitment that occurred in the past month prior to interview.

² Data collected until 19 October refer to expected staffing changes over the *coming months*. Data from 19 October onwards refer to expected staffing changes over the *next three months* specifically.

On the other hand, there has been a steady decrease in the proportion of businesses in Victoria expecting to decrease staffing numbers from a peak of 10 per cent in the four weeks to 21 August to 3 per cent in the four weeks to 27 November.

