

COVID-19: Impact on Jobs & Recovery

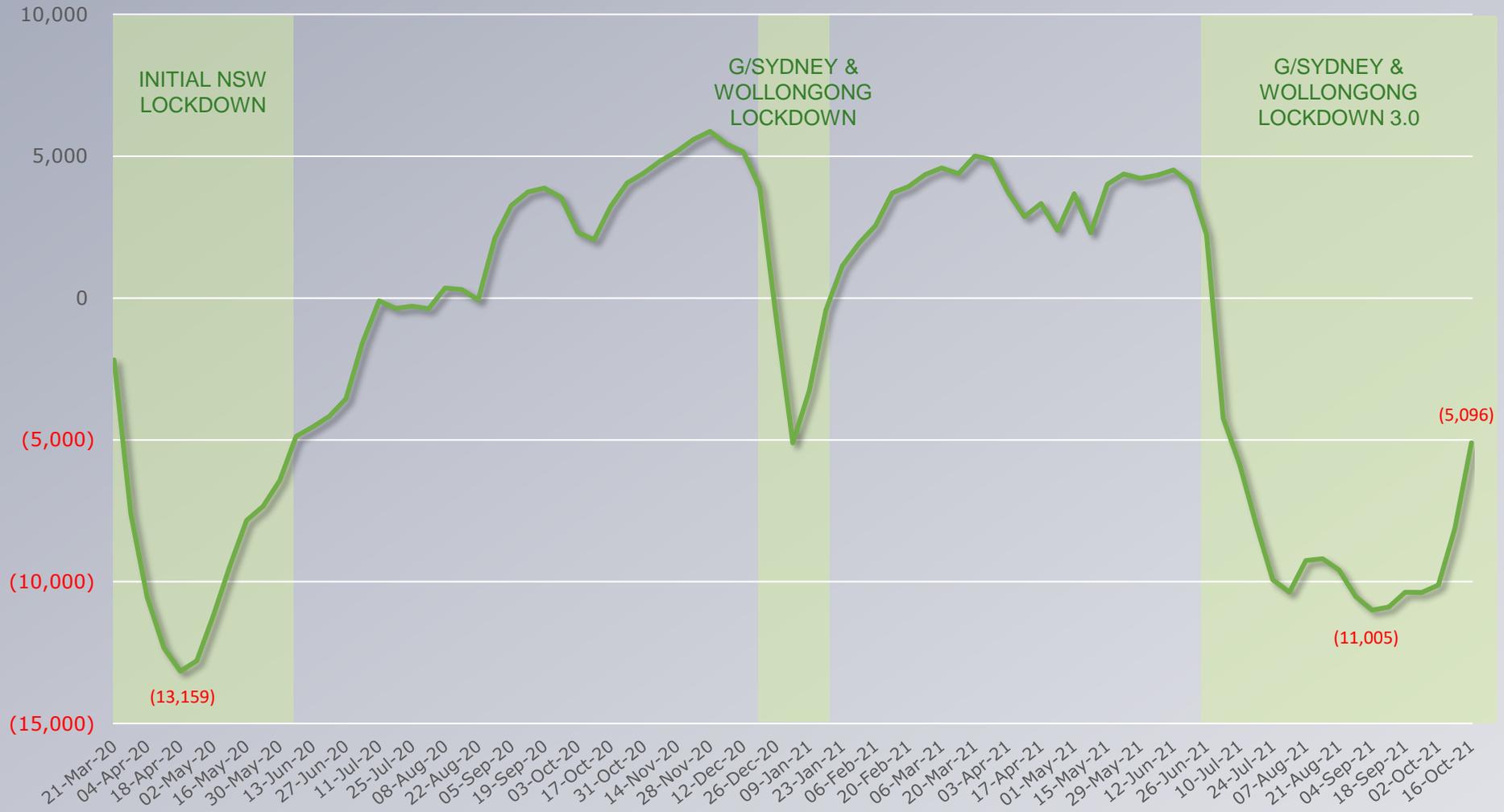
Illawarra Region
Data to 16 October 2021



Impact on Employment - Illawarra

Current data to 16 October indicates that anticipated and actual relaxation of restrictions is having a positive affect on regional employment

*COVID-19: Overall Jobs Impact - Illawarra
March 2020 - 16 October 2021*

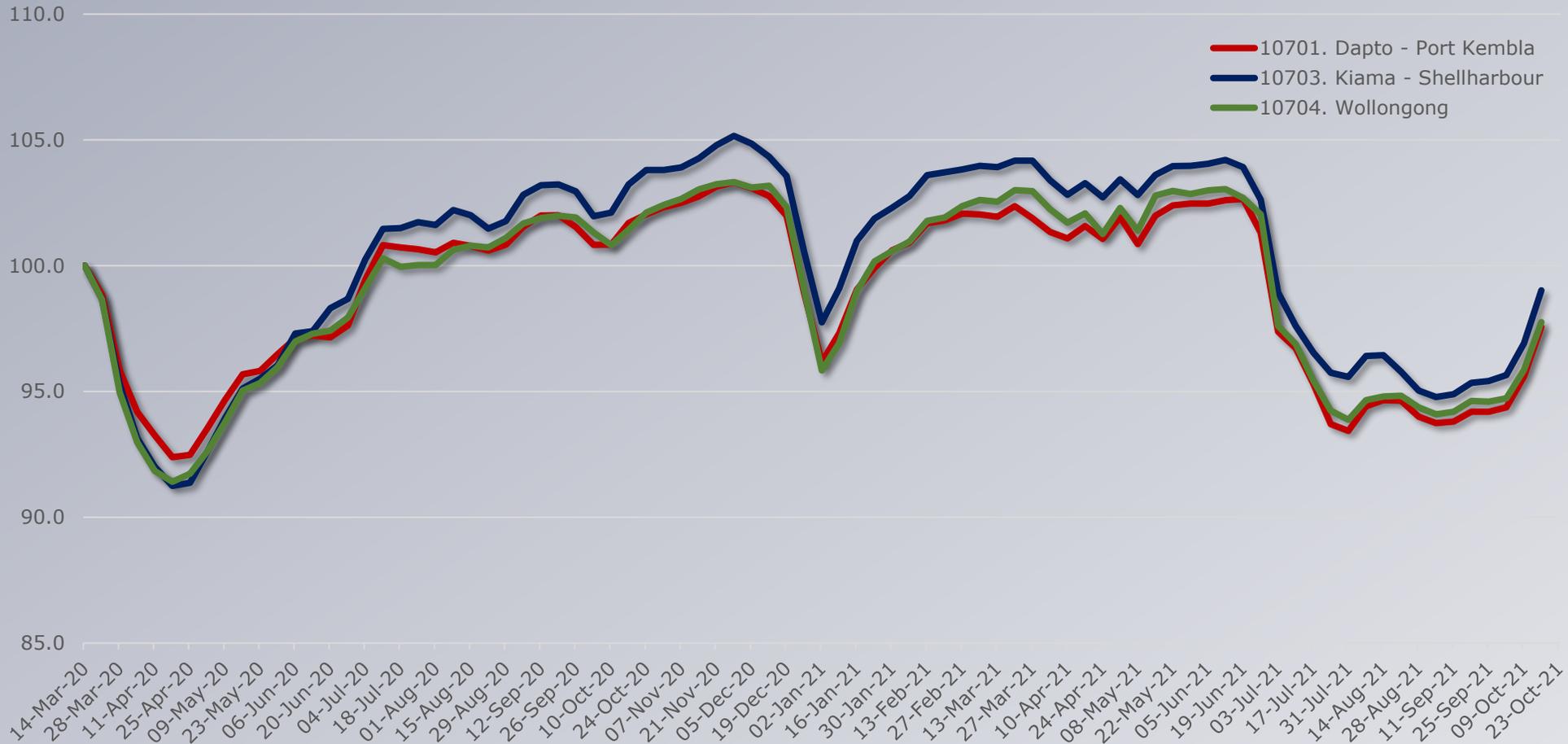


Employment Recovery Trend - Illawarra



Overall recovery trend is also seen in all local regions, with Kiama-Shellharbour leading the way

*Impact of COVID on Payroll Jobs Index by Illawarra SA4 Region to 16 October
(Indexed to 100 on March 14 2020)*



Impact on Employment - Illawarra

Major impact continues to be in the hospitality sector (Accommodation, Food & Beverage) as well as Arts & Recreation, Education & Transport (inc. taxi & Uber drivers)

Impact [RED / BLACK] on Illawarra pre-COVID Employment [GREEN]
March 2020 - 16 October 2021



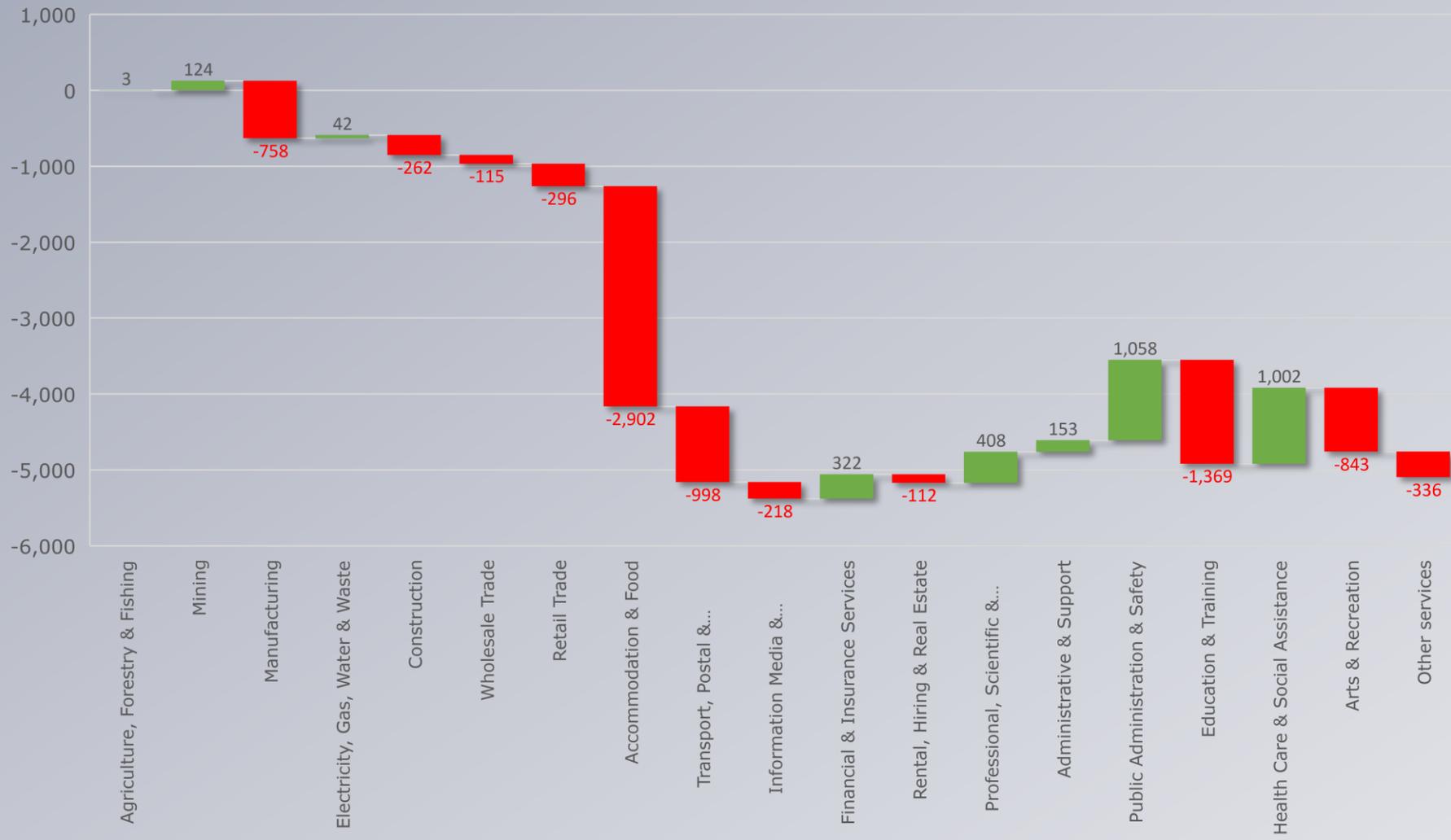
Estimated 5,100 FEWER people in work than March 2020. Est. unemployment now 9% (last 12.3%)

Full & Part Time employment pre-COVID (Feb. 20) - 147,000

Employment Impact by Sector - Illawarra

Despite the emerging recovery, the Illawarra Accommodation sector has shed nearly 25% of its pre-COVID workforce, Education down 11%

*COVID-19: Impact on Illawarra Employment by Sector & Overall
March 2020 - 16 October 2021*



Payroll Impact - Australia

Examination of industry sub-groups details the swings in selected payroll jobs since March 2020. Payroll numbers are improving with key industry sub-groups more positive than last data from September

COVID Impact - Selected Industry Sub-Group Payroll (Australia)

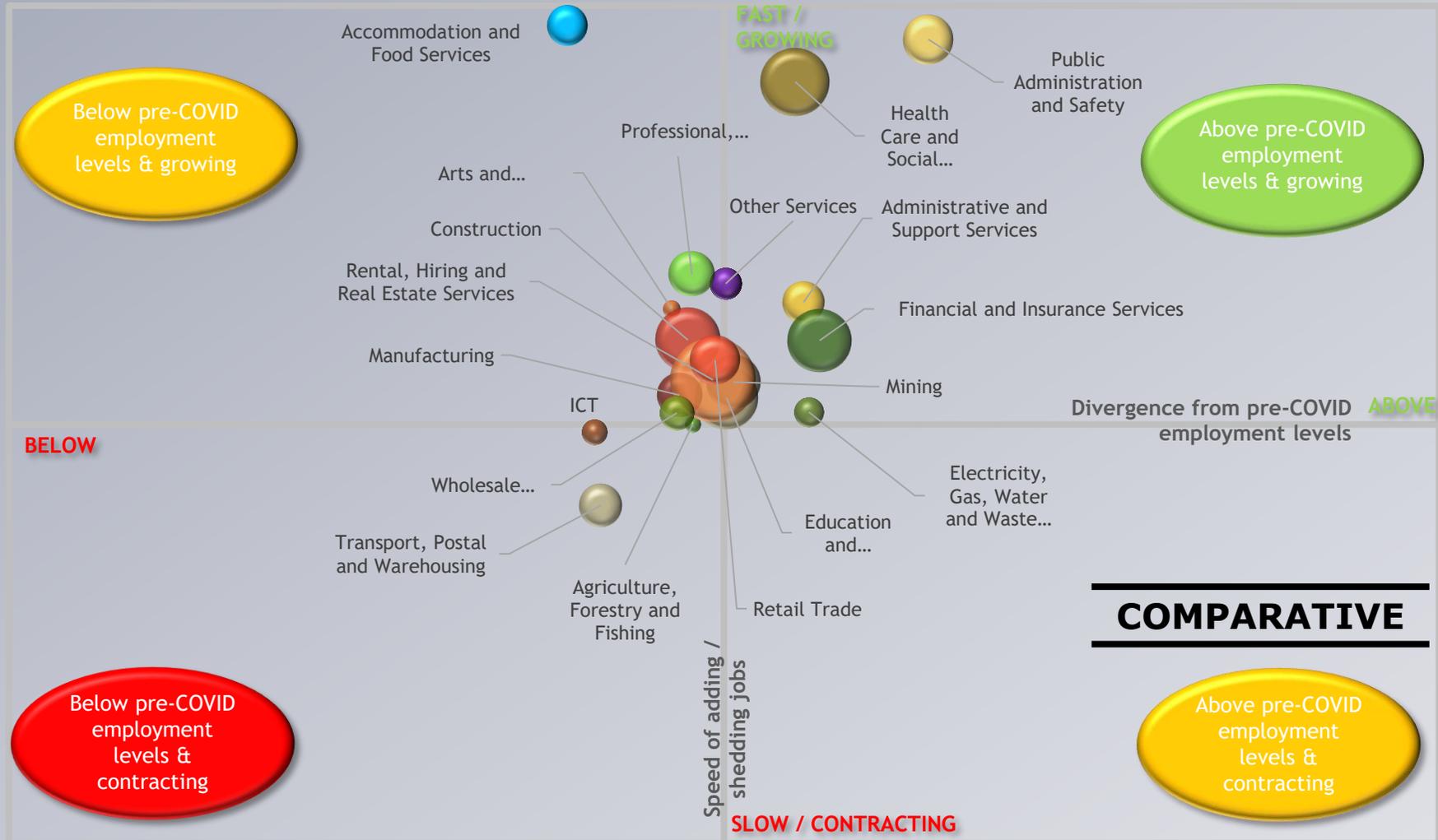
March 2020 - Oct 16 2021



Industry Sector Recovery - Illawarra

Payroll Jobs recovery was looking good in early June...

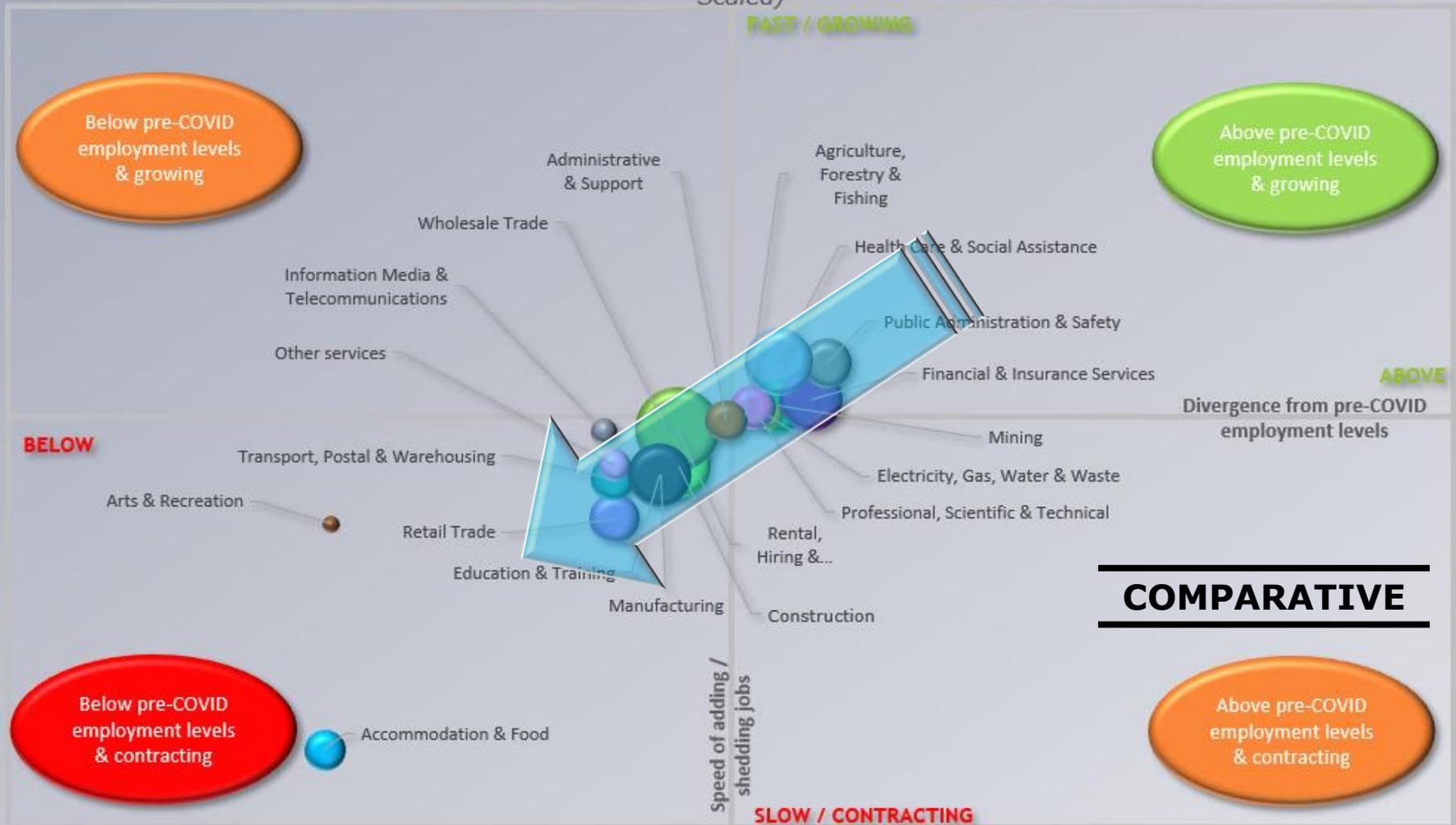
*Speed of Recovery & Distance from pre-COVID Employment Levels
(4 April 2020 – 5 June 2021. Balloon size indicates regional value-add by segment. Scaled)*



Industry Sector Recovery - Illawarra

...but impact of the recent extended lockdown was seen at our last update...

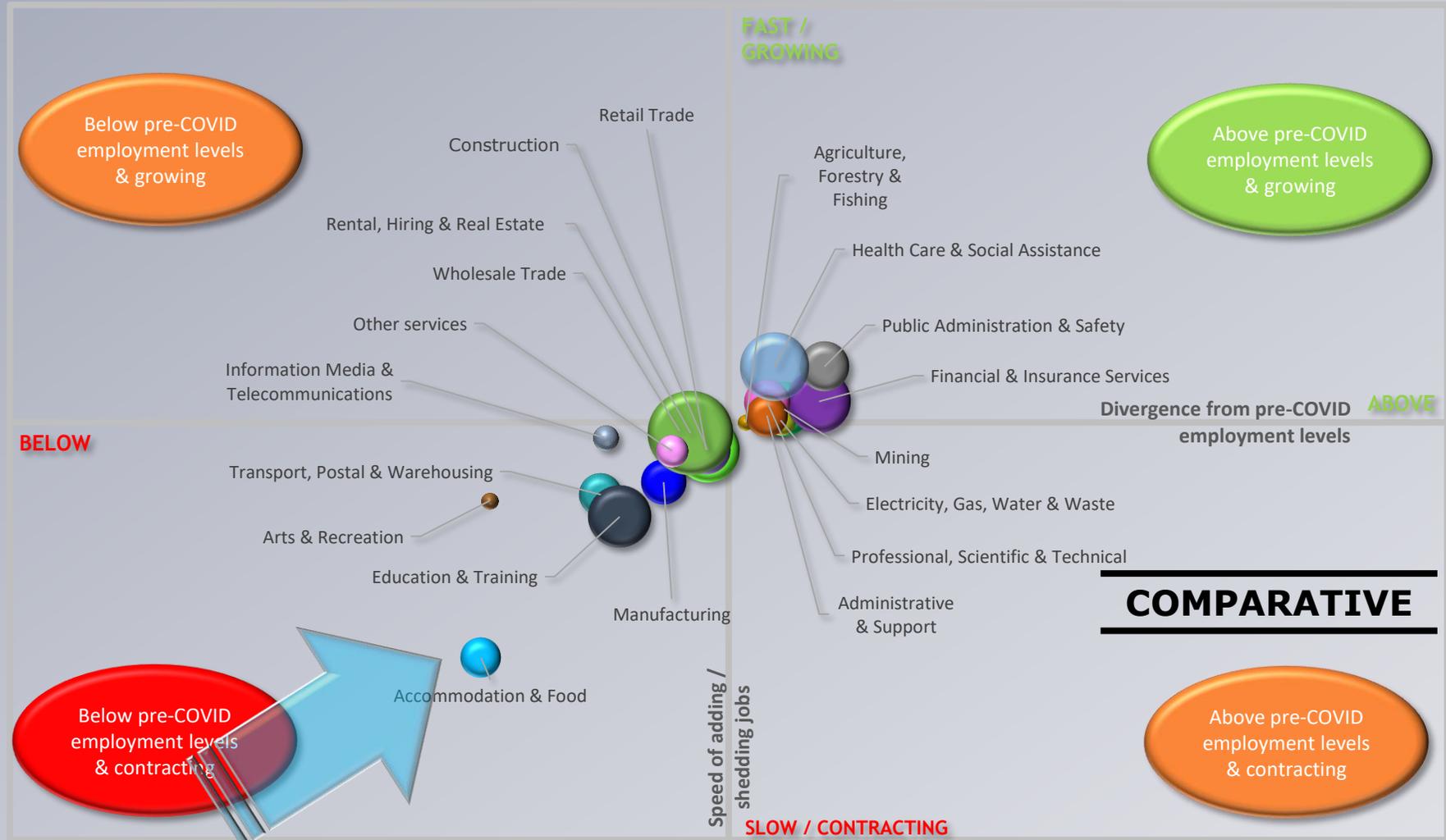
Rate of Change & Distance from Pre-COVID Employment Levels
 (4 March 2020 - 11 September 2021. Balloon size indicates regional value-add by segment. Scaled)



Industry Sector Recovery - Illawarra

Latest data shows recovery is underway, but some sectors still need support – especially accommodation/food and arts/recreation

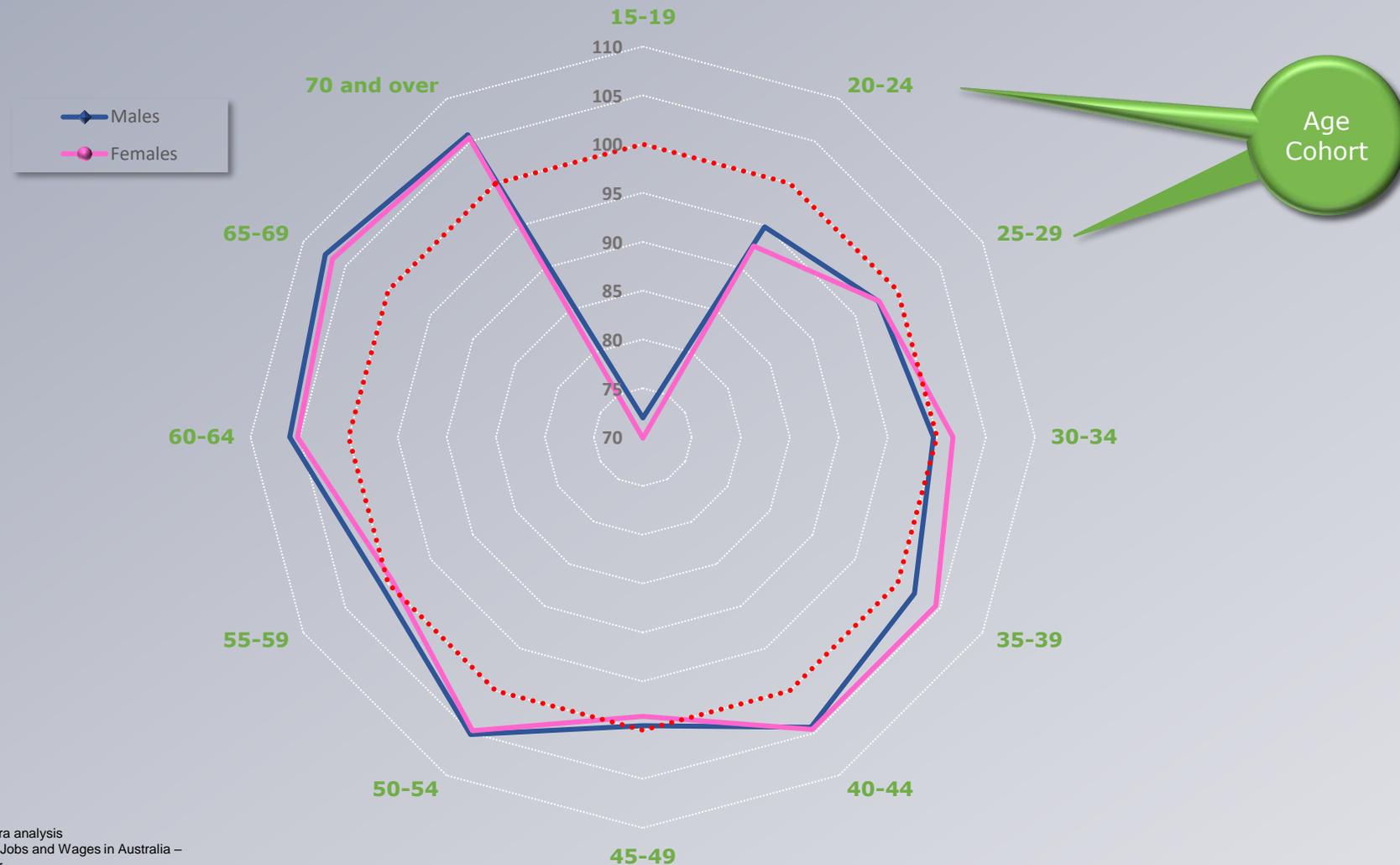
*Rate of Change & Distance from Pre-COVID Employment Levels
(4 March 2020-16 October 2021. Balloon size indicates regional value-add by segment. Scaled)*



Jobs Impact by Age - Australia

Younger cohort of 15-29-year-olds continue to bear the brunt of job-shedding, whilst those with more established careers are less affected. Workers aged 60+ appear to be remaining in (or reentering) the workforce

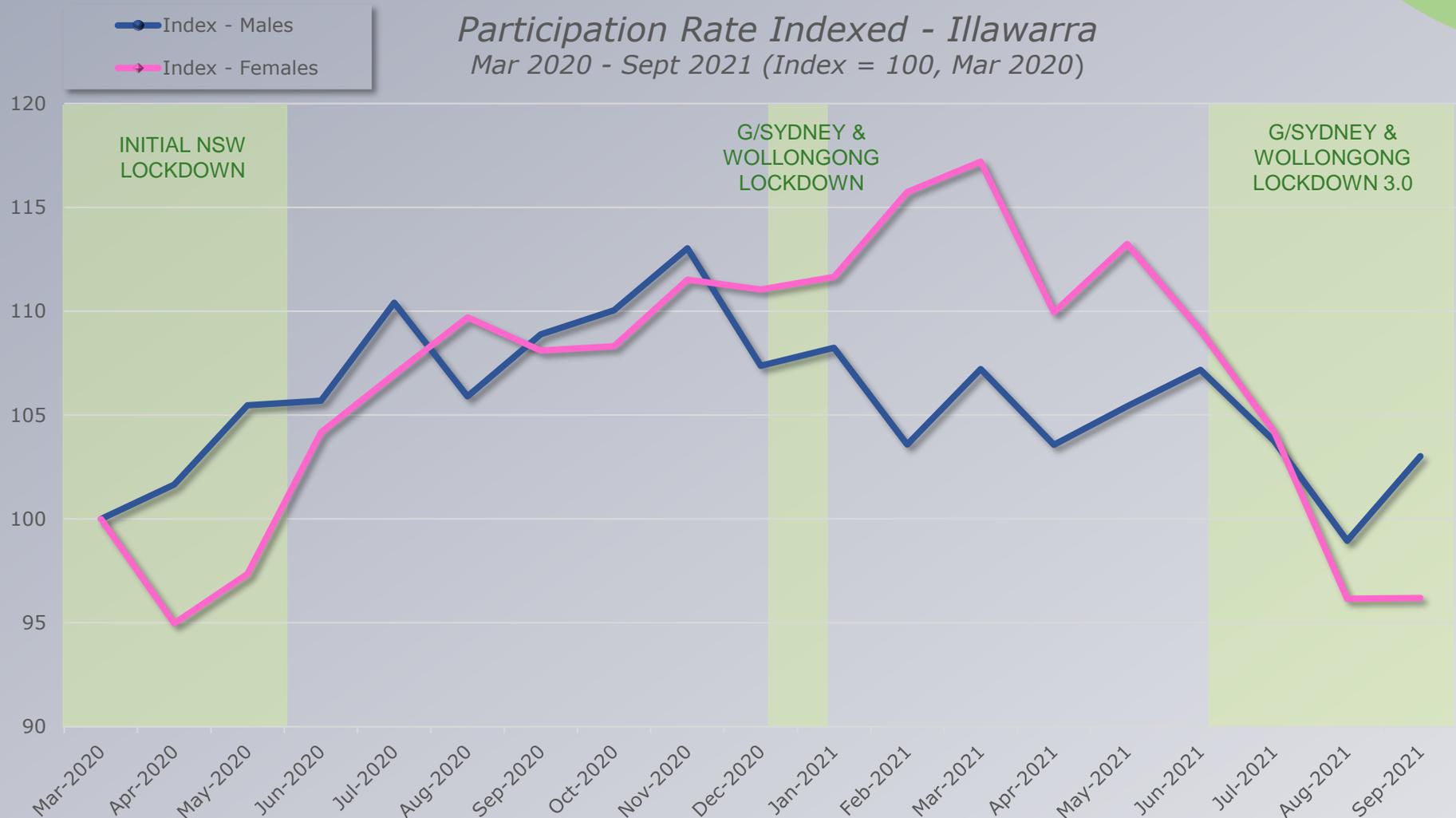
Payroll jobs Indexed by Age - at 16 October



Source: RDA Illawarra analysis
ABS Weekly Payroll Jobs and Wages in Australia –
Industry: 16 October
ABS Cat 6202.0 Labour Force Australia Table 12 (Original)

Participation Rates - Illawarra

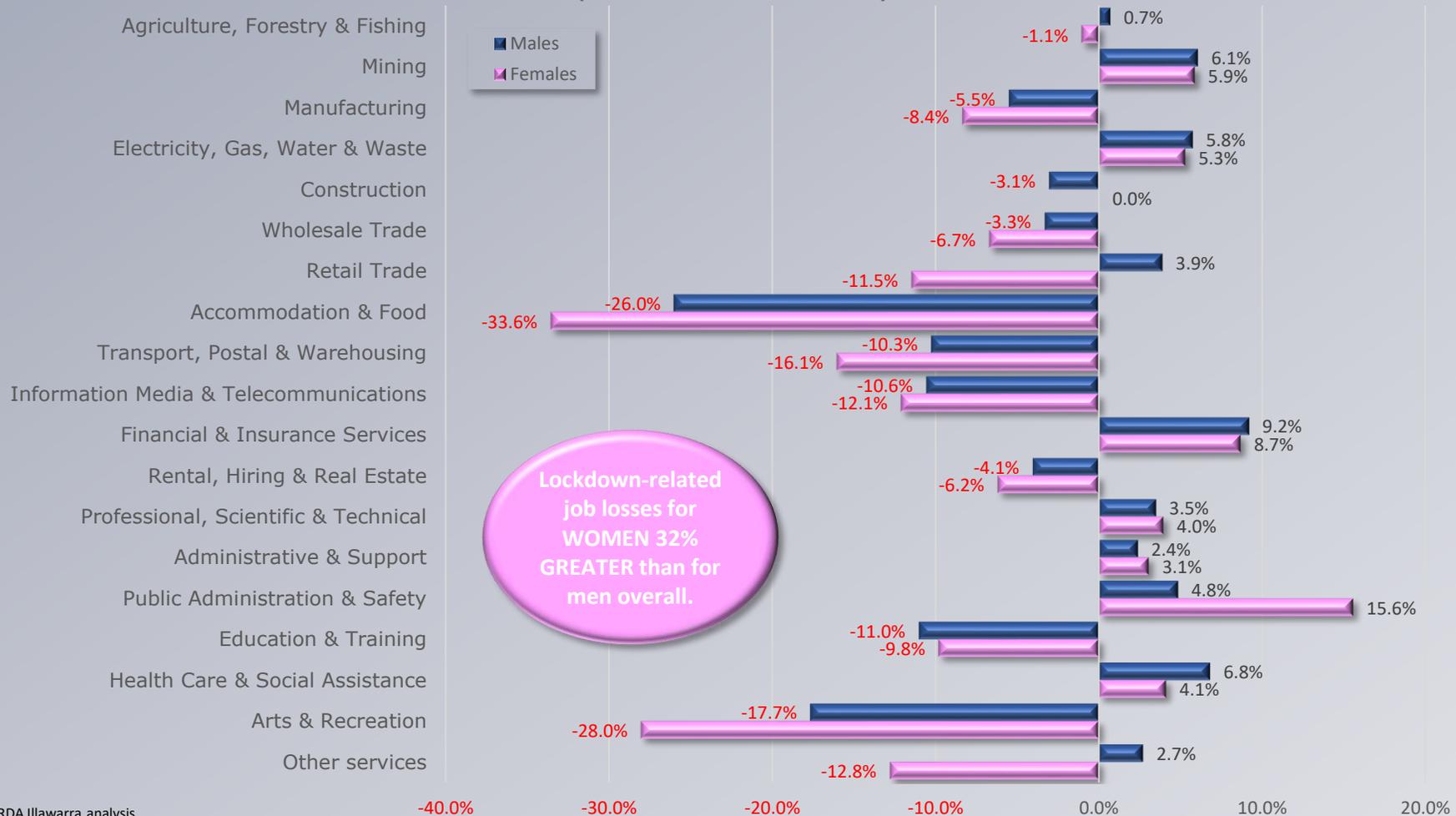
Indexed participation rates for women and men show extended lockdowns have a significantly greater effect on women and a discouraging effect on many workers



Jobs Impact by Gender (NSW)

Latest lockdown has had the largest impact on the female workforce; reducing payroll jobs by over 30% more than for male counterparts.

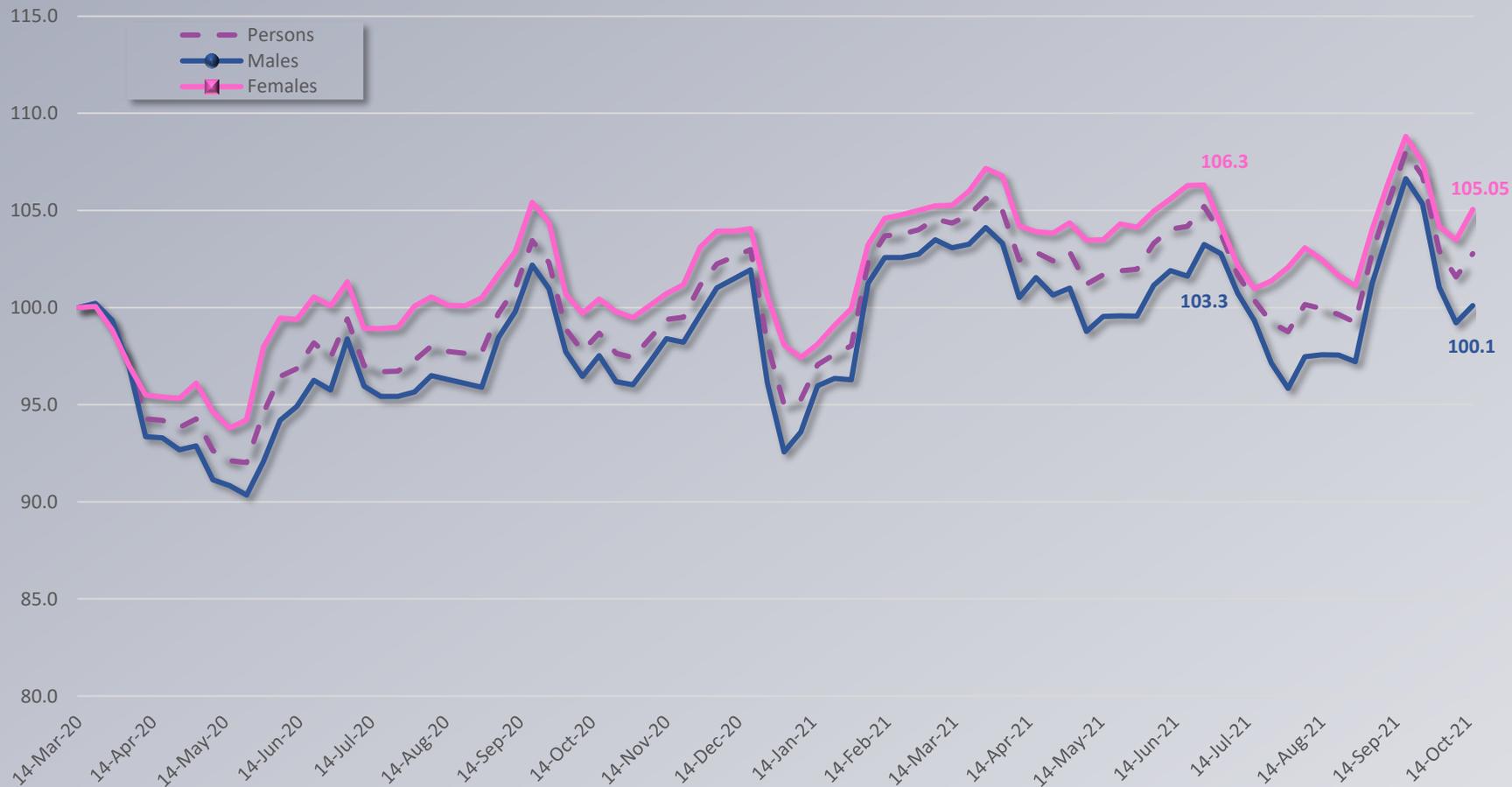
*COVID-19 Impact on Jobs by Sector & Gender - NSW
(16 October 2021 data)*



Payroll Impact Overall & by Gender - NSW

Total Payroll Index has again surpassed pre-COVID levels (index=100) and is heading back towards levels seen before the latest lockdown

*COVID Impact - Total Payroll Index (NSW)
All Industries, March 2020 - 16 October*

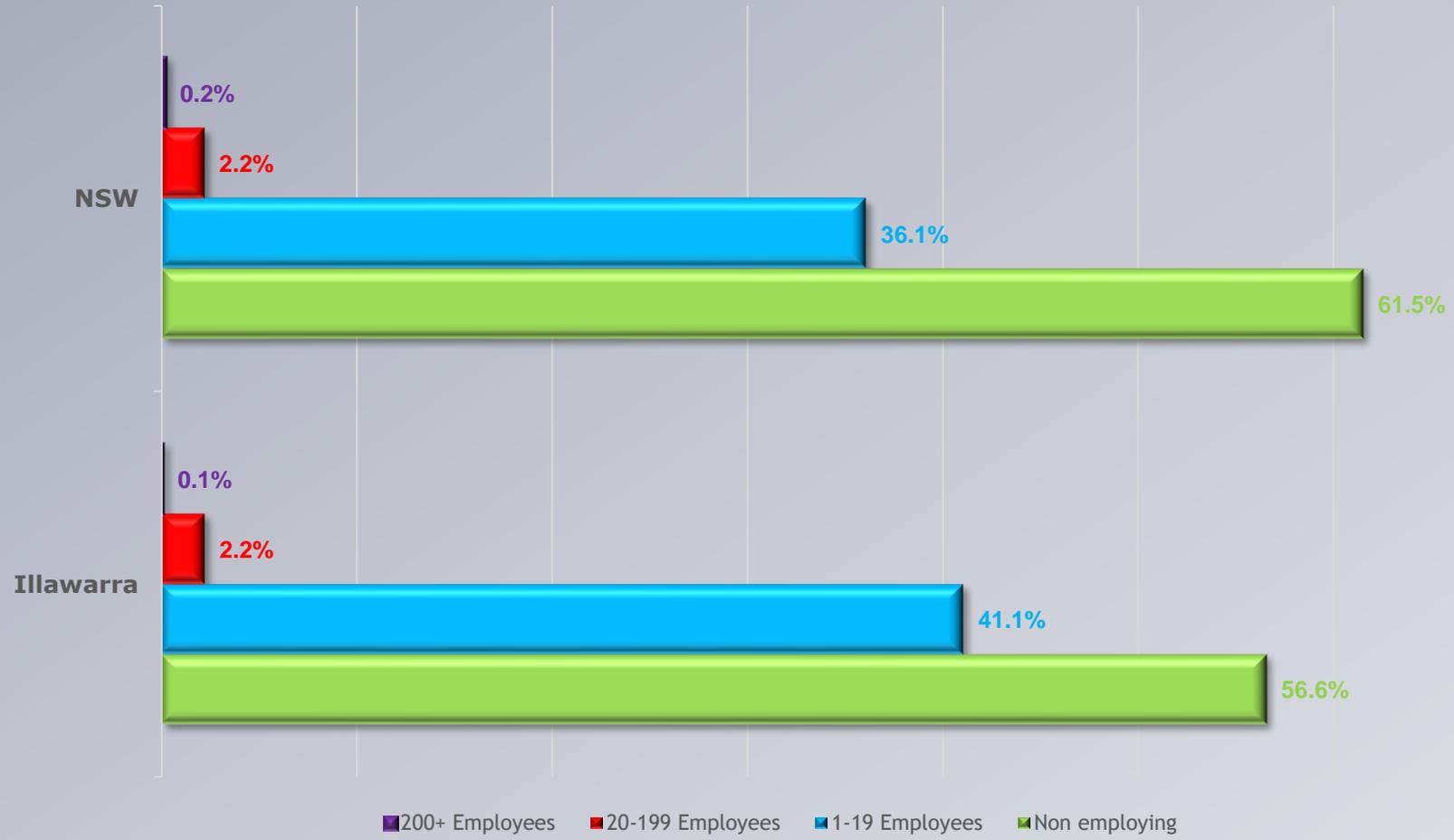


Business Size – Illawarra & NSW



The Illawarra closely mirrors the NSW State average for small & micro-businesses...

*Illawarra & NSW - Comparison by Business Size
(No. of Businesses)*



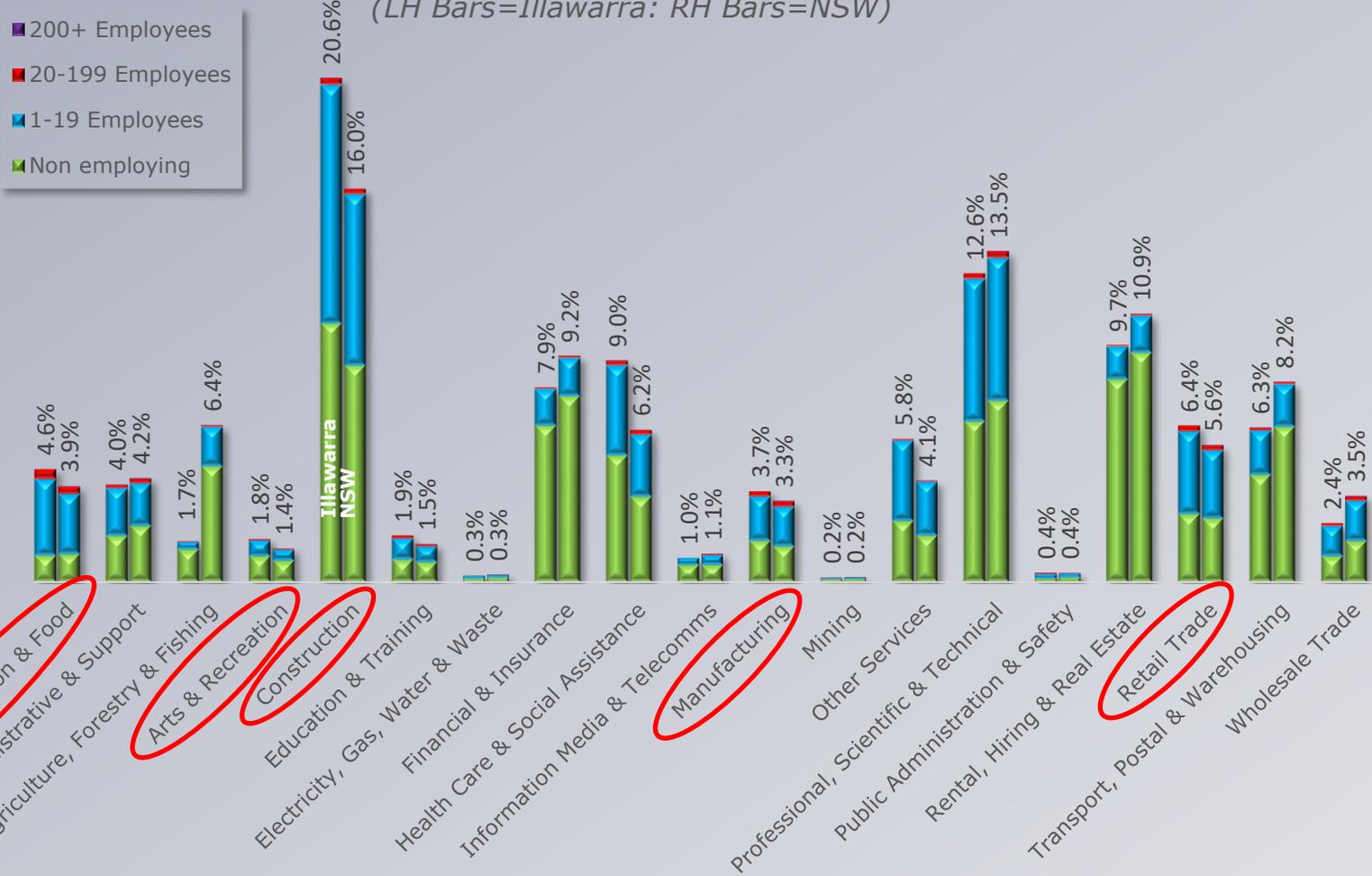
Data Source: 8165.0 Counts of Australian Businesses, including Entries and Exits, June 2016 to June 2020: released 16 February 2021

Businesses by Sector- Illawarra & NSW



...but Illawarra has more small businesses in badly affected sectors including Hospitality, Arts, Construction, Retail & Manufacturing

Illawarra vs. NSW Comparison of Sectors by Business Size (% of businesses)
(LH Bars=Illawarra: RH Bars=NSW)



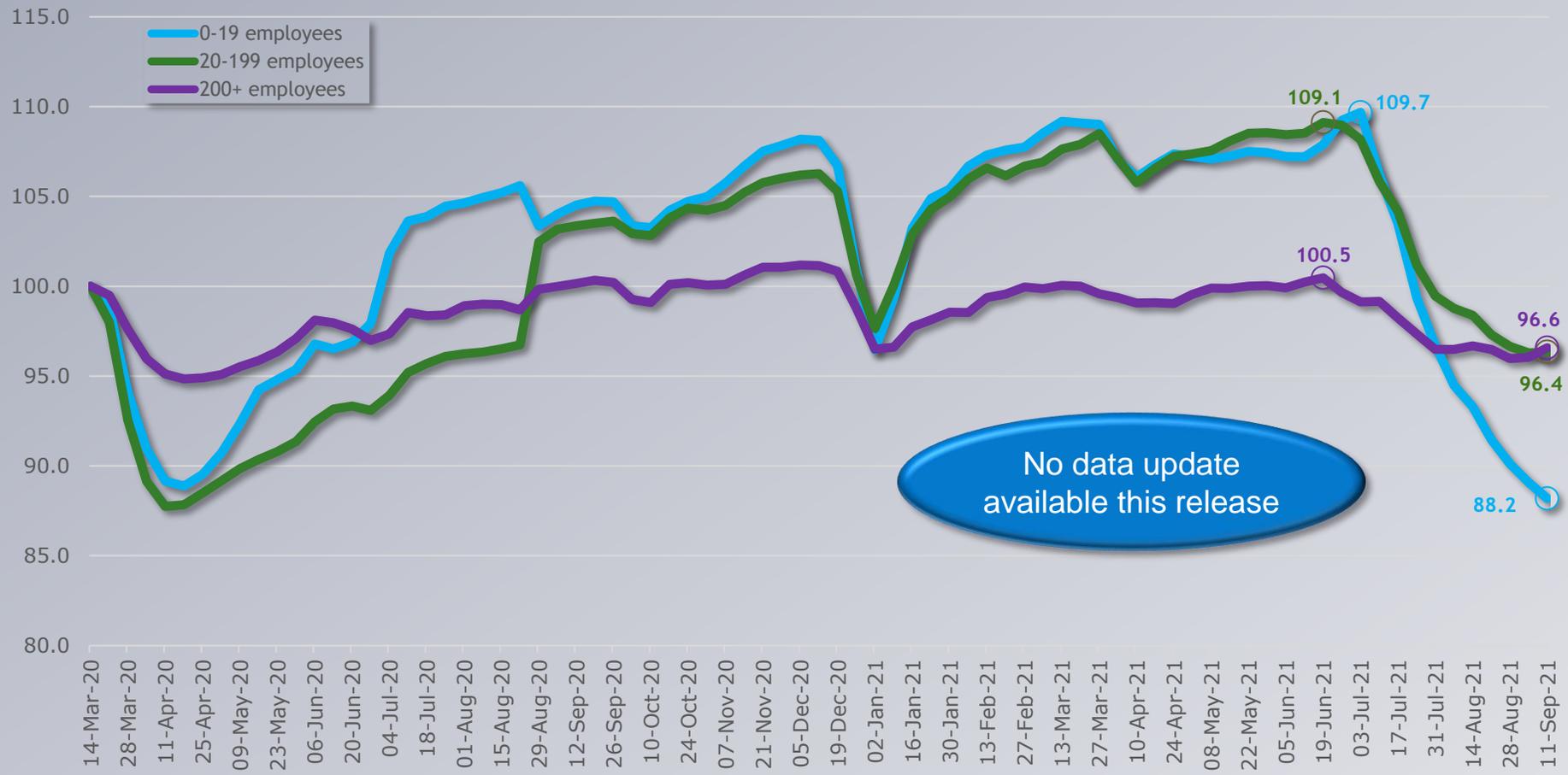
Data Source: 8165.0 Counts of Australian Businesses, including Entries and Exits, June 2016 to June 2020: released 16 February 2021

Employment Impact by Business Size - NSW



The impact of reduced payroll numbers is particularly acute for micro-businesses (cafes, restaurants, small retailers, construction sub-contractors)

Impact on Payroll Numbers by Business Size (NSW)
 March 2020 - 11 September 2021
 (Indexed to 100 at March 2020)



No data update available this release

RDA Analysis based on ABS Quarterly Labour Data, COVID-19 ATO/ABS Payroll Jobs data up to 11 September 2021

Impact on Commuting Habits

This lockdown has seen a marked reduction in both rail and road commuting, but recent data indicates an increase in road usage as restrictions relax

*Rail Commuting - South Coast Line
(Journeys / month, 000's)*



88%
reduction
in journeys

*Road Commuting - Major Routes
Illawarra to Sydney
(Journeys / month)*



31%
reduction
in journeys

Sources:
TfNSW data – Monthly OPAL trips
TfNSW data: Traffic Volume Viewer – Monthly Road trips, All Vehicles, Both Directions, All day (Kingsway, Picton Rd, Heathcote Rd, Broughton – Amalgamated)

Summary

Based on the data to 16 October, the jobs outlook is the most positive it has been over the past four months

- Number of payroll jobs is increasing
- Health care, social assistance & public administration leading the way.

BUT...

- Participation rates for women remain low (54.2% vs 66.8%)
- Regional unemployment calculated at 9%
- Some sectors struggling to recover
 - Hospitality (Accommodation, Food & Beverage, Travel, Arts & Rec)
 - Education
- Main impact of lockdown continues to be seen in
 - Younger workers
 - Women
 - Micro-businesses (1-19 workers)
 - Commuting (has working from home become a new 'norm'?)

Q + A

Sources & Notes

SOURCES:

Australian Bureau of Statistics

1. 6291.0.55.003 RQ1 Quarterly employed persons by Industry division
 2. 8165.0 Counts of Australian Businesses, including Entries and Exits, June 2016 to June 2020 (Released 16 February 2021)
 3. ABS Cat 6202.0 Labour Force Australia Table 12, Original (Release 18 June 2020)
 4. COVID-19 STP data (Up to 16 October 2021):-
 - Weekly Payroll Jobs and Wages in Australia – Industry
 - Weekly Payroll Jobs and Wages in Australia - Payroll Jobs & Wages indices
 - Payroll Jobs Index by SA4 - Persons, All ages, STP-enabled businesses
 - Business Impact Survey
 5. JobKeeper organisation application count by postcode for August JobKeeper fortnights
- REMPPLAN - Regional Value-Add (based on ABS data)

NOTES:

- a) Registered organizational JobKeeper uptake used as an initial proxy for impact on industry sectors and their potential recovery
- b) State-wide industry sector data weighted to reflect potential impact at SA4 level
- c) 99% of substantial employers (20+) & 77% of small employers report through STP
- d) All care has been taken in the preparation of these charts, using available data from reliable sources but RDA Illawarra take no responsibility for any inaccuracies in data or analysis.