

COVID-19 AND REGIONAL JOBS

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Dr Kim Houghton
Chief Economist



**REGIONAL
AUSTRALIA
INSTITUTE**



HIGHLY VARIED NATIONAL IMPACT EXPECTED

INSIGHTS

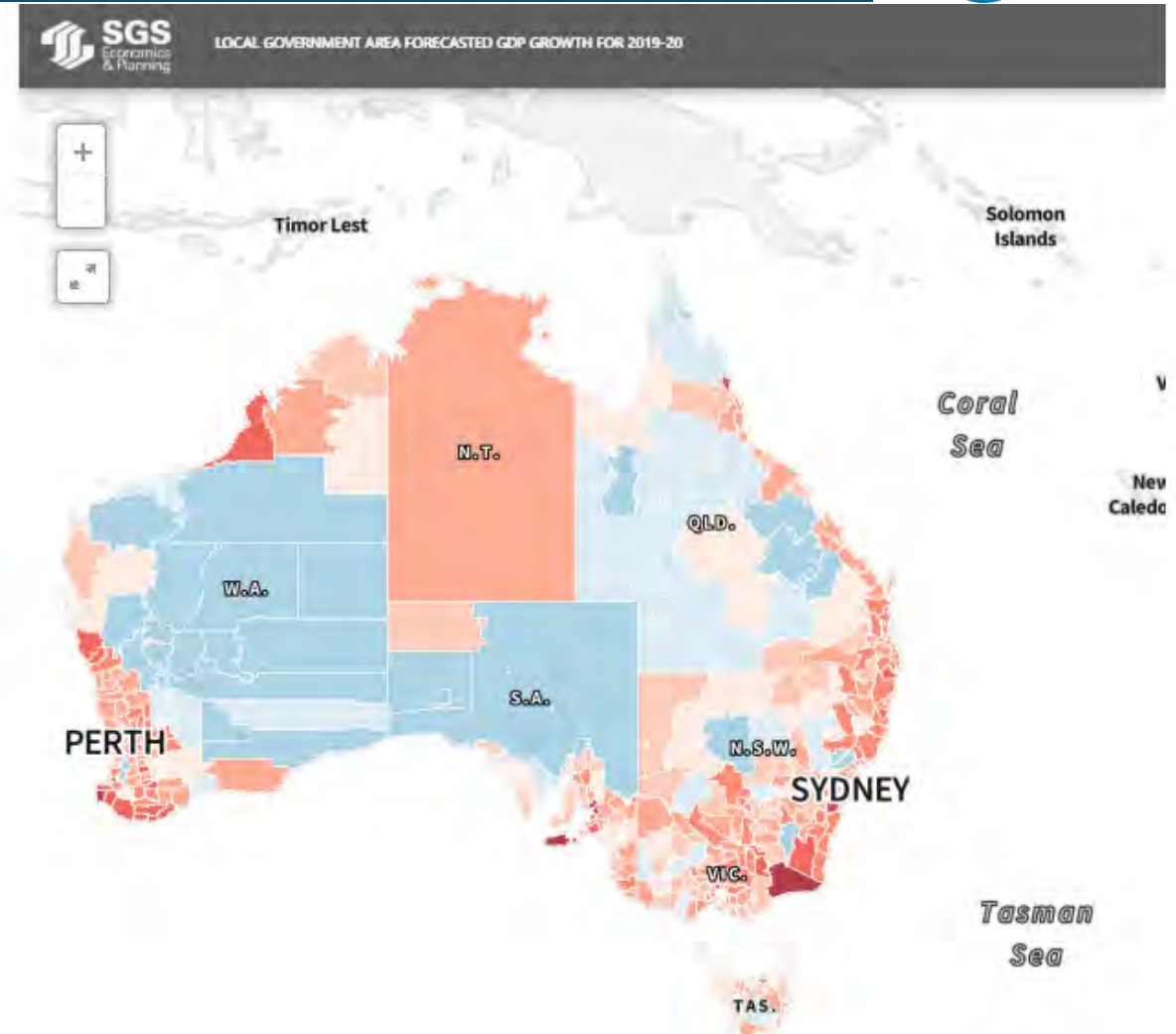
COVID-19 and summer bushfires: The economic impact on your suburb and pathways to recovery

Posted May 04, 2020

Gross Regional Product forecasts for 2019-20

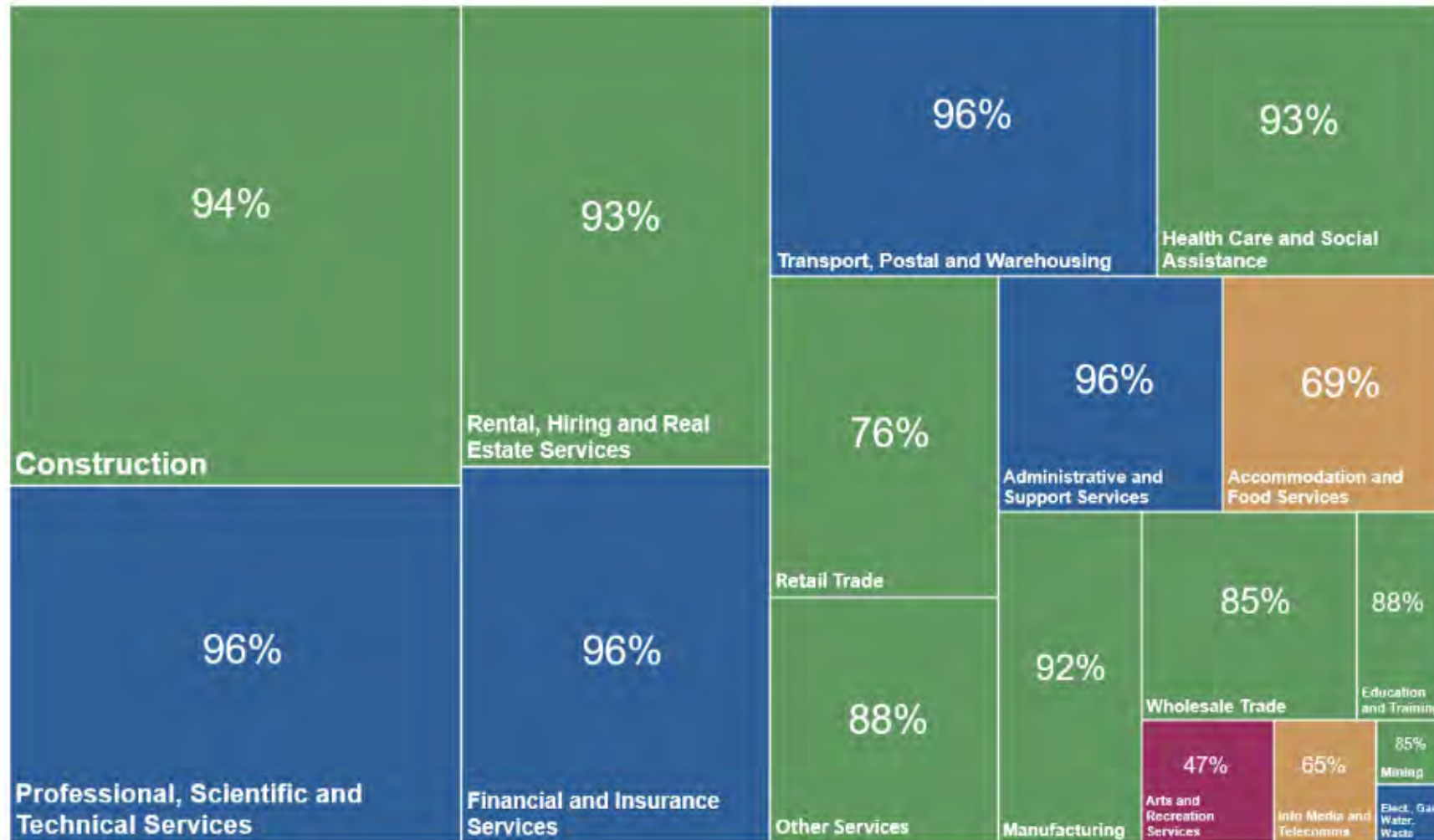
Blue = growth

Orange/red = decline



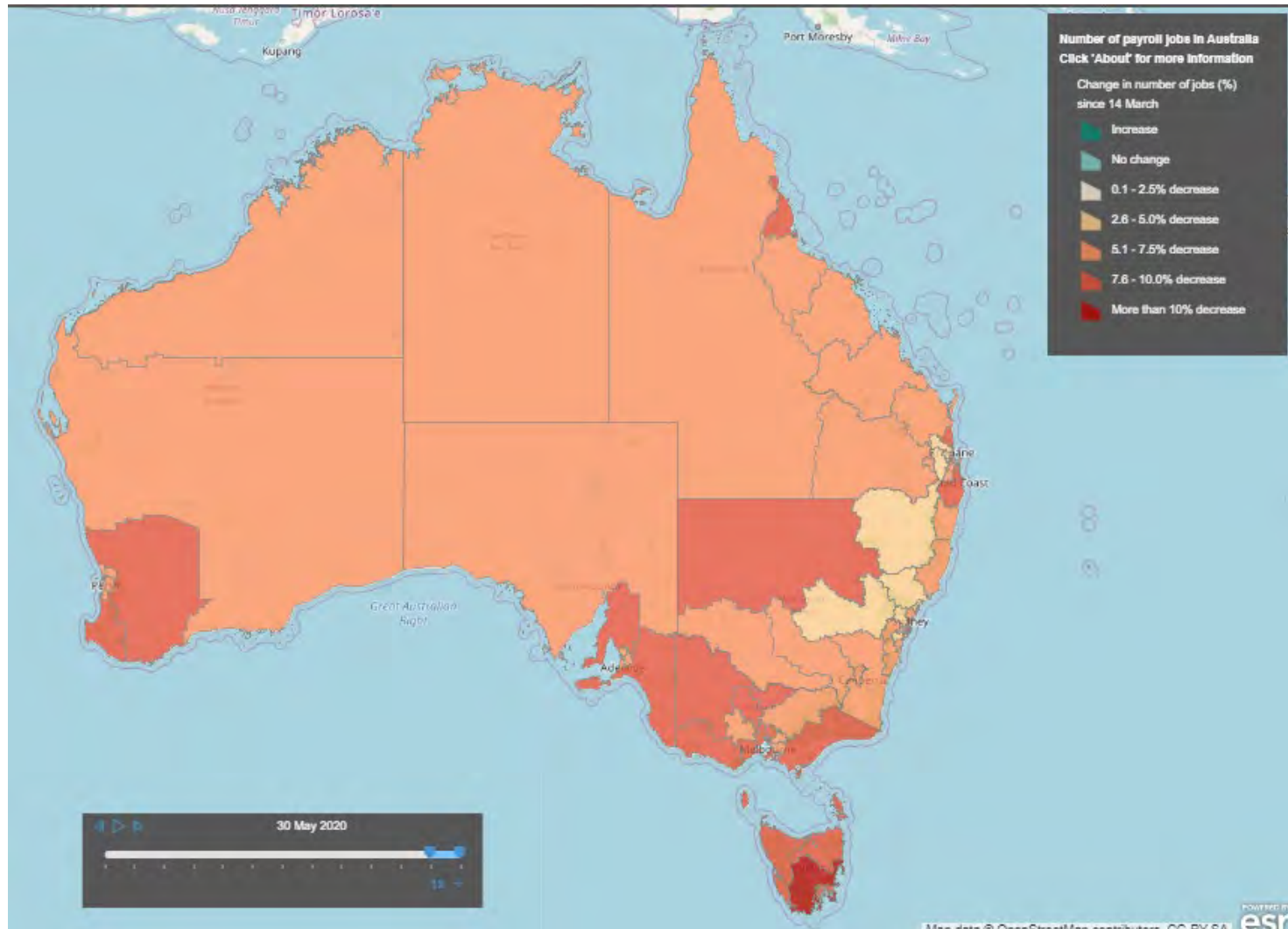
RAPID CLOSURE OF CREATIVE AND HOSPITALITY BUSINESSES

Share of each Industry in the Australian Business Population^(a) and the Proportion of businesses that are currently operating^(b)



ABS, March 30 2020

IMPACTS OF COVID-19, WEEKLY PAYROLL JOBS BY REGION



Biggest falls all in regions:

- Places with high historical (structural) unemployment
- Undiversified places with large hospitality/tourism sectors

REGION	Change
Southeast Tas	-10.5%
Warrnambool-Southwest Vic	-9.4%
Launceston Northeast Tas	-9.3%
Northwest Vic	-9.1%
Richmond-Tweed	-8.6%
Latrobe-Gippsland	-8.1%
Bendigo	-8.1%
South East SA	-8.0%

Payroll job numbers change 14 March to 30 May 2020

Source: ABS, 16 June 2020

JOBKEEPER IS A LIFELINE



Postcode	JobKeeper registered businesses	Share of businesses
Sydney 2000	10,290	24%
Melbourne 3000	6,693	27%
Cairns CBD	3,995	44%
Surfers Paradise	2,949	38%
Toowoomba	2,923	31%
Southport	2,439	31%
Nerang	2,420	41%

Source: Treasury JobKeeper data and
ABS Counts of Australian Businesses Entries and Exits

JobKeeper registered businesses dominate many regional postcodes, particularly places with large hospitality, culture/recreation and transport industries.

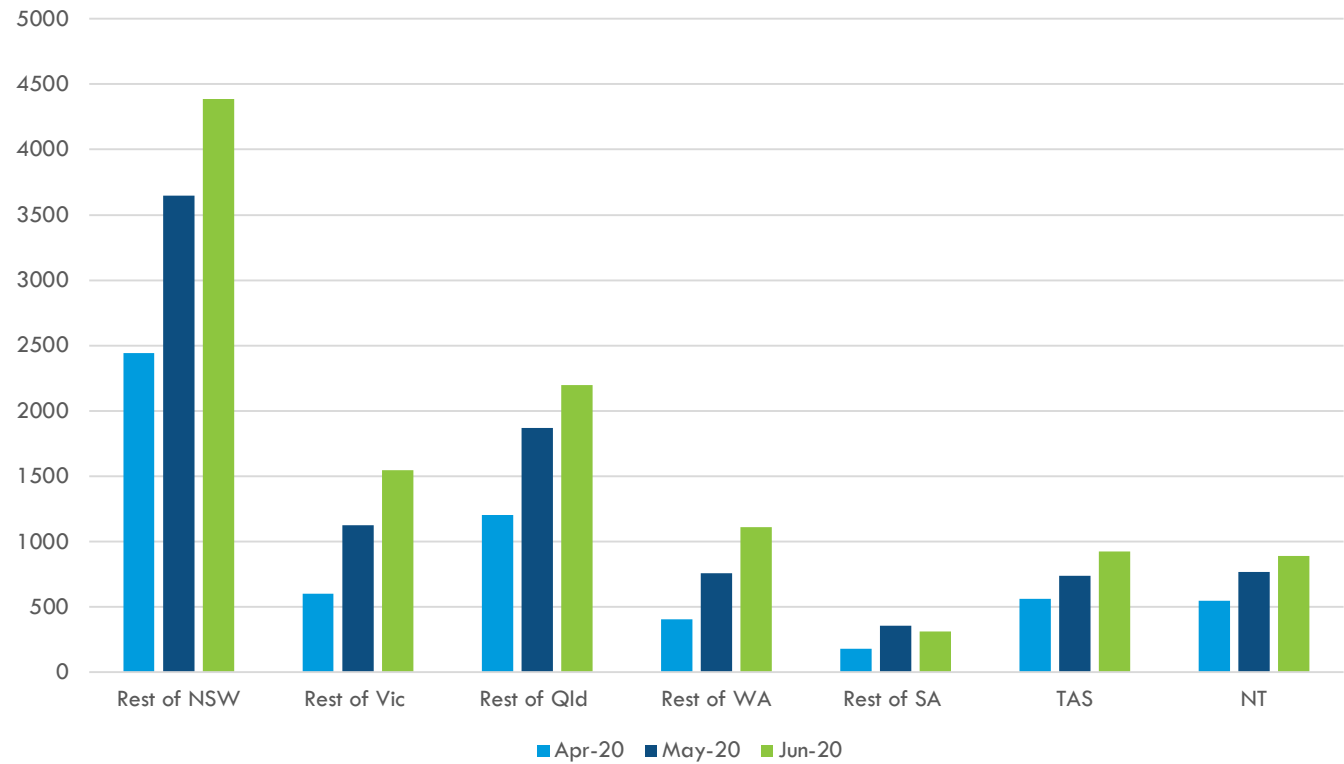
Examples:

Eumundi	54%
Byron Bay	66%
Thirroul	48%
Apollo Bay	61%
Barossa Valley	44%
Margaret River	61%
Launceston	37%

NEW JOB POSTINGS 2020



Non mainland state capital city monthly new job postings



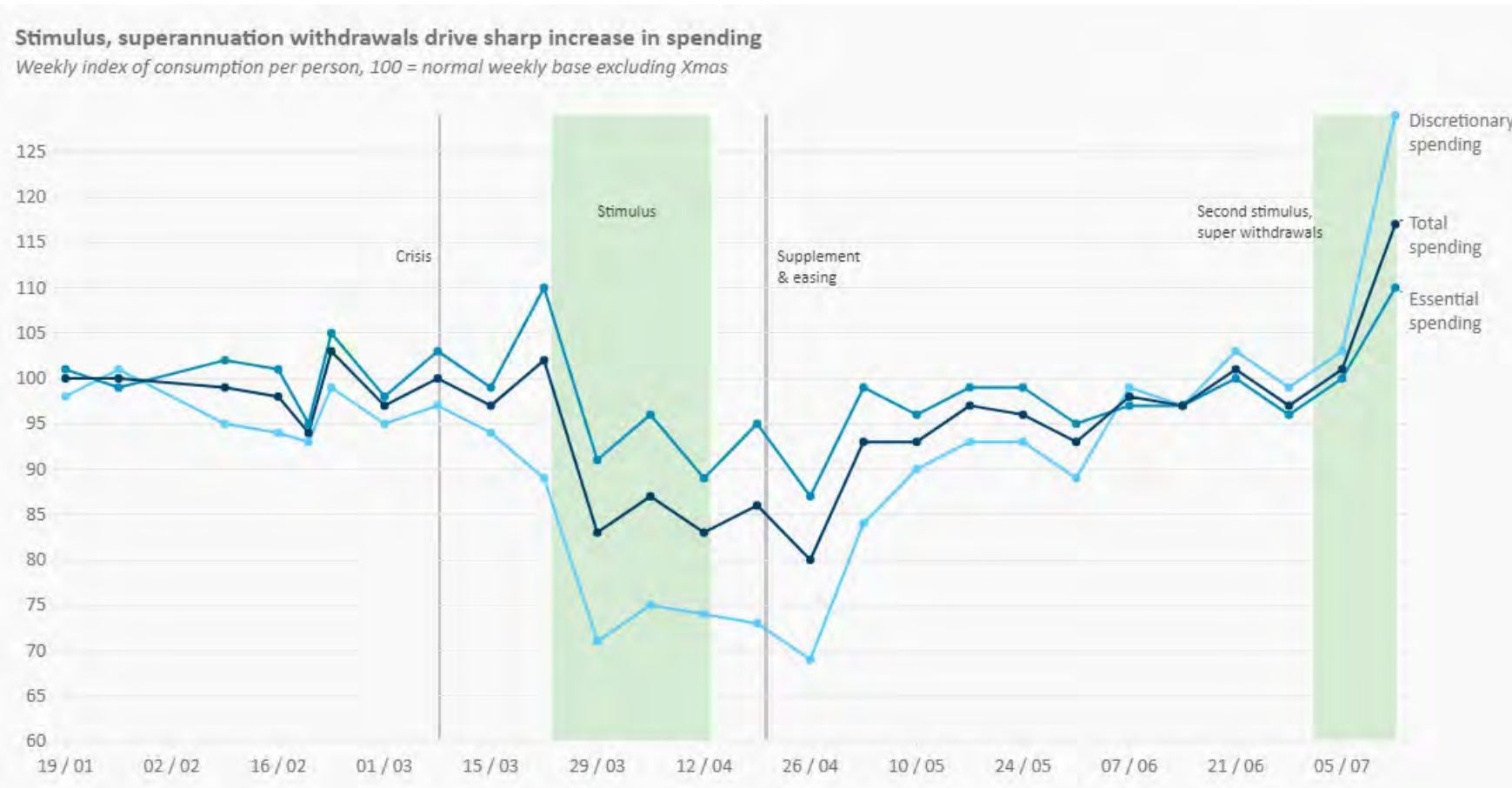
Over 11,000 new regional job postings in June

Steady growth in postings for jobs in regions after April low

May-June growth:
Regional 22%
Mainland state capitals 11%

Source: CSIRO Data61 Australian Skills Dashboard

CONSUMER SPENDING UP THEN DOWN THEN UP AGAIN



Over 11,000 new regional job postings in June

Steady growth in postings for jobs in regions after April low

May-June growth:
Regional 22%
Mainland state capitals 11%

<https://www.alphabeta.com/illiontracking>

REGIONAL RENAISSANCE?



YES

- Mining and agriculture doing OK
- Some labour shortages
- New job postings growing
- Fewer infections and restrictions in regions
- Creative business responses and online sales
- Consumer confidence
- Domestic travel intentions
- Work from home revolution

NO

- Legacy of drought and bushfires
- Six months without income
- International tourism stalled
- Deep and localized economic holes
- Structural weaknesses in east coast lifestyle regions
- Greater spending leakage from jump in online sales

KATHERINE OUTBACK EXPERIENCE

- Katherine based shows in the dry
- Touring show in the wet
- Both constrained by COVID restrictions
- Now offering horse handling
- Riding lessons
- Beginner to advanced
- Dedicated training arena
- Very popular with Territorians!





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