

Employers' single greatest future concern

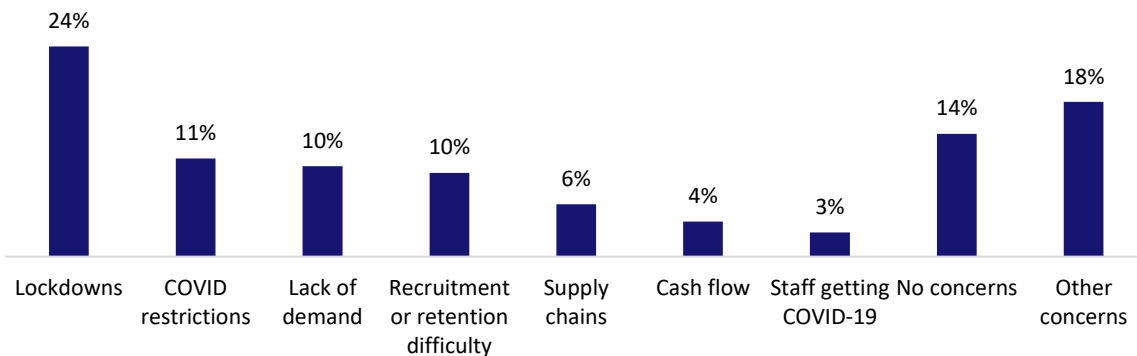
September 2021 Spotlight

This month's Spotlight presents findings on employers' greatest future concerns for their business in the next 3 months, based on REOS data collected between 27 August 2021 to 30 September 2021. Note that employers were only asked to provide their *single greatest* concern for the next 3 months.

Overall, 24% of employers mentioned 'lockdowns' – either current or potential future lockdowns - as their greatest concern for the next 3 months. The second most common response was 'no concerns', mentioned by 14% of employers. COVID-19 restrictions (11%), including border closures, travel restrictions and quarantine requirements, was the third most common response, followed by a lack of demand for products and services (10%), and recruitment or retention difficulty (10%). Less common concerns included supply chain delays and disruptions (6%), problems with cash flow (4%), and the risk of staff contracting COVID-19 (3%).

Greatest single concern over the next three months

Proportion of all employers, 27 August to 30 September 2021

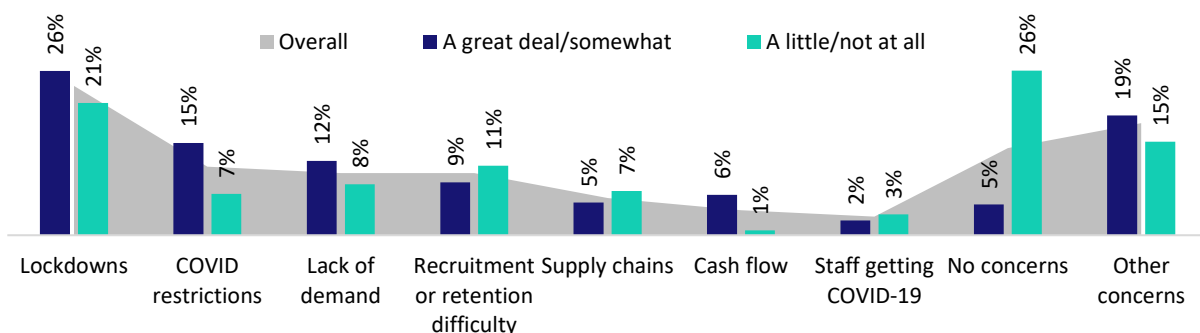


Some 18% of employers had 'other concerns,' which included keeping up with demand, general business costs, health-related issues such as mental health and burnout, and concerns around vaccination requirements.

Employers' concerns varied by the extent to which they were impacted by COVID-19.¹ Employers impacted 'a little' or 'not at all' were more likely to have 'no concerns' about the next three months (26%) compared with employers impacted 'a great deal' or 'somewhat' by COVID-19 (5%). By contrast, lockdowns (26%), COVID-19 restrictions (15%), and a lack of demand for products and services (12%), were more commonly mentioned by employers who were impacted 'a great deal' or 'somewhat' compared with those only impacted 'a little' or 'not at all'.

Greatest single concern – by Impact of COVID-19 on business

Proportion of all employers, 27 August to 30 September 2021

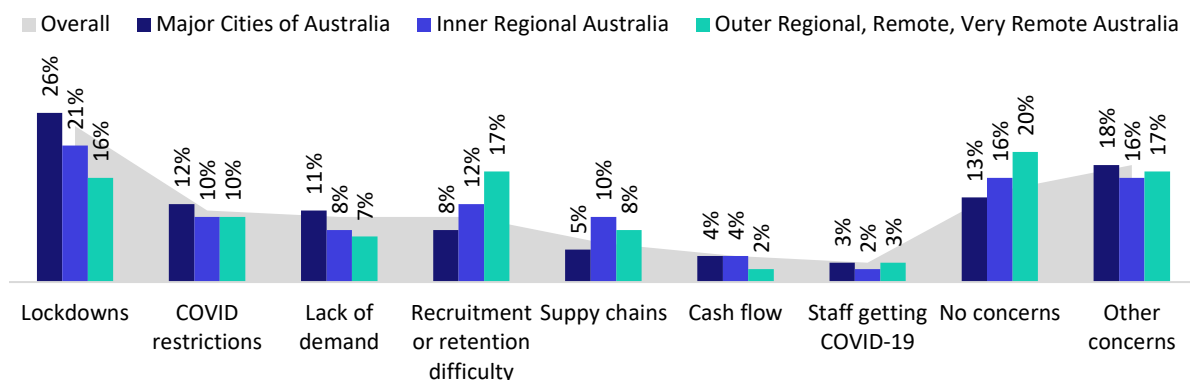


¹ In this period, 57% of employers were 'greatly' or 'somewhat' impacted by COVID-19, while 43% were impacted 'a little' or 'not at all'.

Concerns also varied by the remoteness² of an employer's location. The proportion of employers who said that lockdowns were their greatest concern was higher in major cities than in outer regional and remote areas. Conversely, the proportion of employers who had 'no concerns' was highest in outer regional and remote areas. Recruitment and retention difficulty was a markedly more common concern in Outer Regional, Remote and Very Remote areas (17%) compared with Major Cities (8%).

Greatest single concern – by ARIA region type

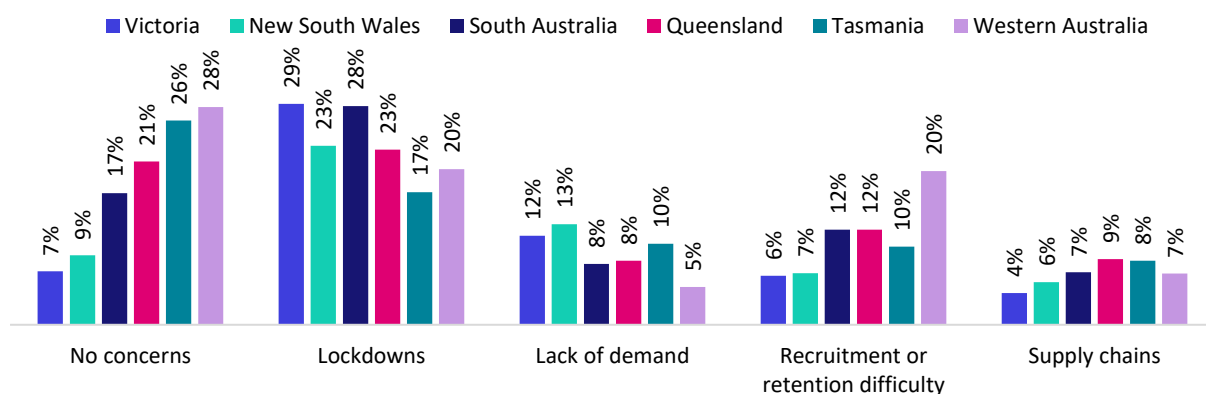
Proportion of all employers, 27 August to 30 September 2021



The proportion of employers citing 'no concerns' varied substantially across states. Unsurprisingly, the states that have been most impacted by lockdowns – New South Wales and Victoria – were least likely to have 'no concerns', while employers in Western Australia (28%) and Tasmania (26%) were most likely to have 'no concerns'. Lockdowns were most commonly the greatest future concern for employers in Victoria (29%) and South Australia (28%), followed by New South Wales and Queensland (both 23%). Notably, employers in Western Australia were much more likely to be concerned about recruitment or retention difficulty (20%) compared with other states.

Greatest single concern – by State

Proportion of all employers, 27 August to 30 September 2021



Results by selected industries reveal that employers in Professional, Scientific, and Technical Services (21%) were the most likely to have 'no concerns', while those in Accommodation and Food Services were the least likely to have 'no concerns' (8%). Concerns around current or future lockdowns were common across all industries, although most prevalent in Accommodation and Food Services and Wholesale Trade (both 26%). Supply chains were a common concern for Manufacturing (14%), Wholesale Trade (13%), Retail Trade (13%) and Construction (8%) but were rarely mentioned by employers in other reported industries.

² The classification used in this section is based on the Accessibility and Remoteness Index of Australia (ARIA+), which divides Australia into 5 'Remoteness Areas': Major Cities of Australia, Inner Regional Australia, Outer Regional Australia, Remote Australia and Very Remote Australia. In this analysis, Outer Regional Australia, Remote Australia and Very Remote Australia have been combined into one category due to small sample sizes.

Greatest single concern – by selected Industries

Proportion of all employers, 27 August to 30 September 2021

