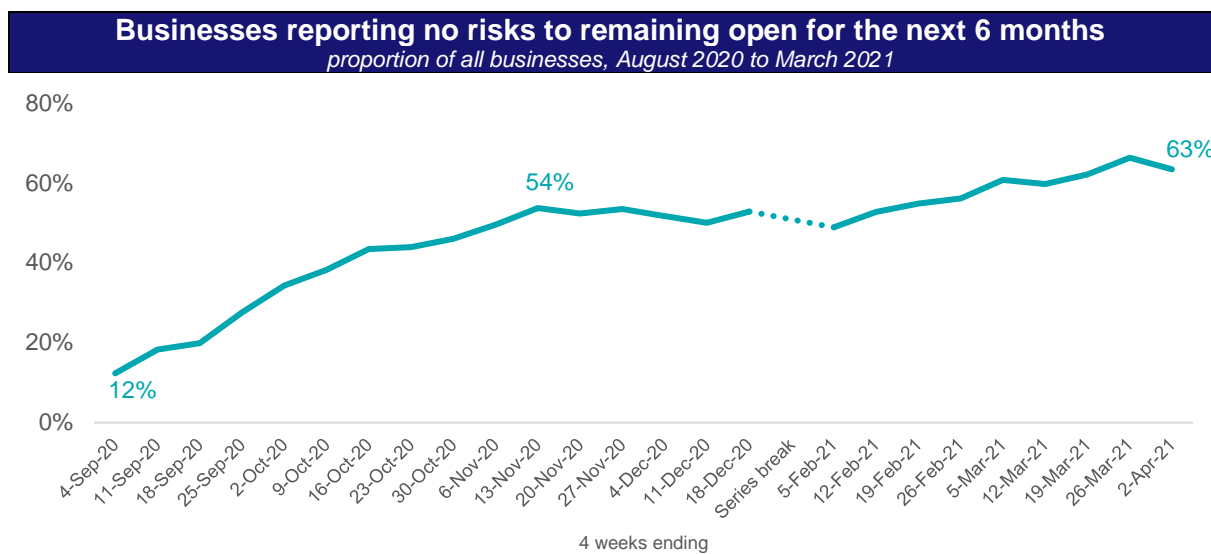


This month's Spotlight features data collected as part of the *Recruitment Experiences and Outlook Survey* on the risks to businesses staying open for the 6 months after being interviewed.

Businesses are increasingly likely to report 'no risks' to remaining open

In the 4 weeks to 4 September 2020, just 12% of businesses reported there were no risks to remaining open for the next 6 months. This rose rapidly to 54% by mid-November 2020, and has since increased further to 63% in the 4 weeks to 2 April 2021.



In the 4 weeks to 2 April 2021, 72% of businesses in the Retail Trade industry reported that they had no risks to remaining open, the highest of the reported industries, followed by the Professional, Scientific and Technical Services (71%), Health Care and Social Assistance (67%) and Manufacturing (64%) industries. Businesses in the Accommodation and Food Services industry (52%) were the least likely to report that they had no risks to remaining open, although this had increased from 7% in the 4 weeks to 4 September 2020. Some 59% of businesses in Wholesale Trade and 61% of businesses in Construction reported no risks.

There was little overall difference in the proportion of businesses reporting no risks between Capital Cities (63%) and Rest of State areas (64%).

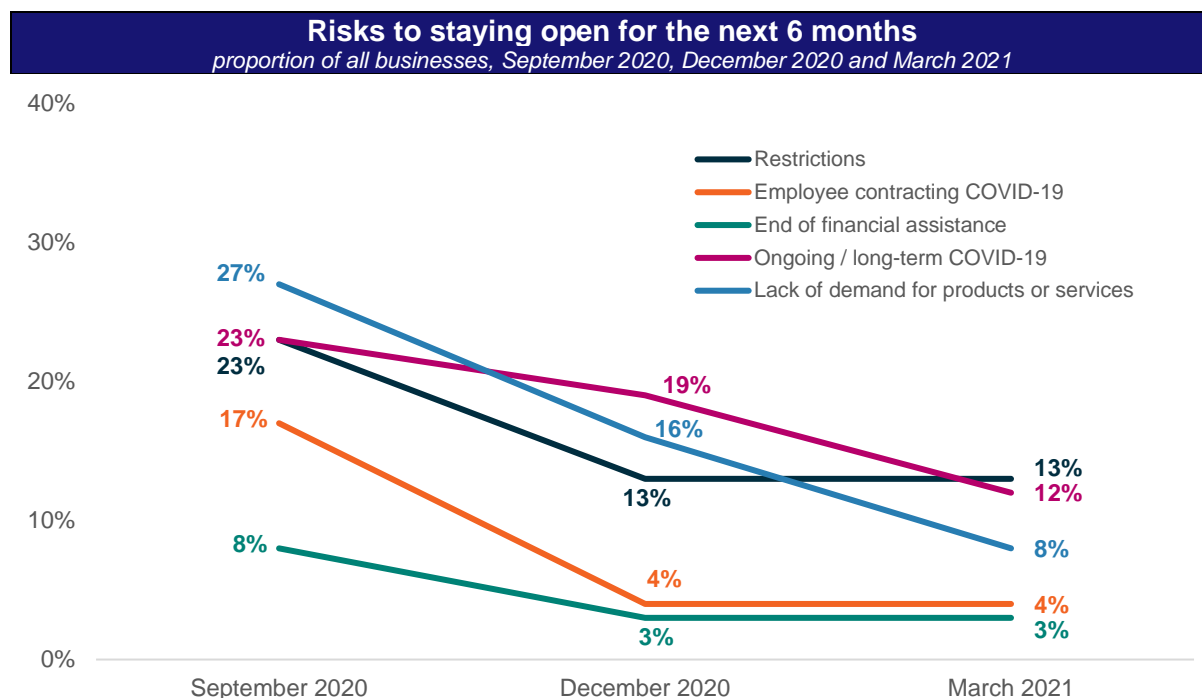
Restrictions and ongoing impacts of COVID-19 are the most common risks reported by businesses, but have become less common

There have been significant declines across all the risk types reported by businesses from September 2020 to March 2021.

In March 2021, the most common risk to remaining open reported by businesses was the impact of restrictions (13%). This was the same as the figure recorded in December 2020 but significantly lower than in September 2020 (23%).

While a lack of demand for the business' goods and services was the most commonly reported risk in September 2020 (27%), it has declined significantly to stand at 8% in March 2021.

The long term impact of COVID-19, including border closures and potential future outbreaks, was considered a risk by one in 5 employers (19%) in December 2020, however by March 2021 this proportion had almost halved to 12%. In March 2021, only 3% of employers reported that the end of financial assistance was a risk to remaining open, and only 4% considered an employee contracting COVID-19 as a risk.



Background

Information in this report is based on the *Recruitment Experiences and Outlook Survey* (REOS), which is an ongoing survey of employers across Australia. Approximately 1,200 employers are surveyed each month, with data published on the Labour Market Insights website. While the data are indicative of recruitment activity, they may be subject to seasonal factors and other volatility and should therefore be used with caution. In addition, the survey is targeted towards employers with 5 or more employees, and excludes many government organisations.

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