



July 2021 / CE-Ref-J3324

Statistical Note

JUNE 2021 - ECONOMIC IMPACT OF COVID-19 RESTRICTIONS

JOBSEEKER NUMBERS ALMOST BACK TO PRE-COVID LEVELS

During June 2021, the steady downward trend in numbers receiving JobSeeker unemployment benefits in the region continued. Numbers on JobSeeker at 17,600 are only 2,000 above pre-Covid levels of 15,600 in March 2020.

At the current rate of decline, numbers on JobSeeker could be expected to reach pre-Covid (March 2020) levels in August or September.

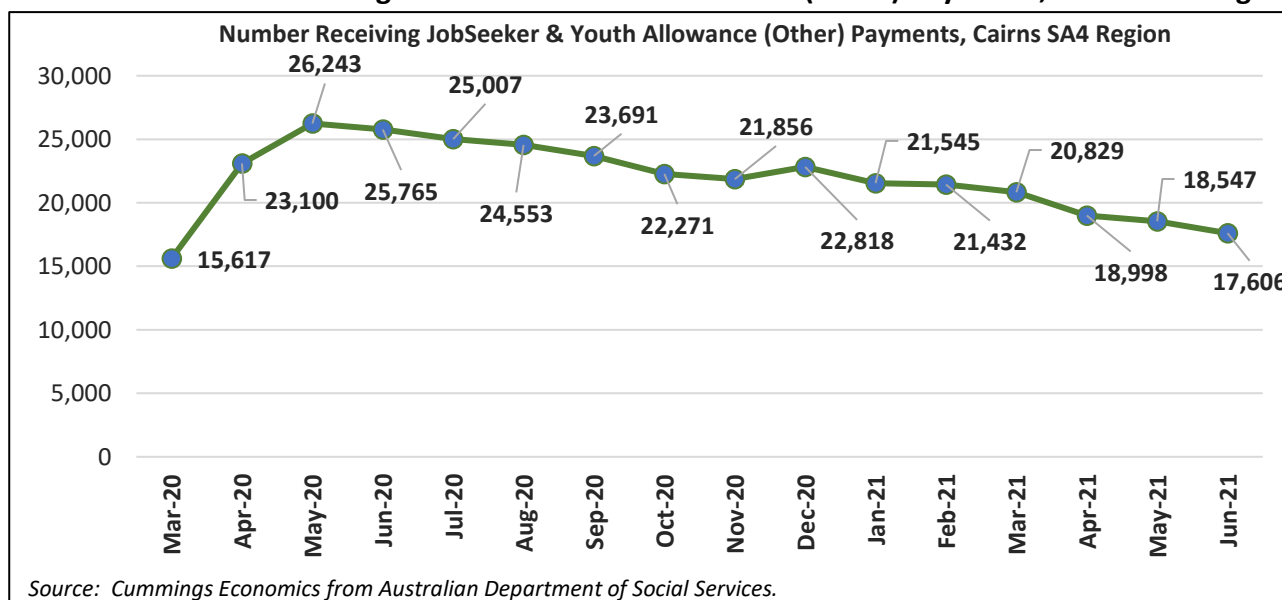
Table 1 – Numbers Receiving JobSeeker & Youth Allowance (Other)

	Cairns ⁽¹⁾	Cairns SA4 Region ⁽²⁾
March 2020	9,256	15,617
April 2020	14,433	23,100
May 2020	16,181	26,243
June 2020	15,871	25,765
July 2020	15,476	25,007
August 2020	15,234	24,553
September 2020	14,651	23,691
October 2020	14,042	22,271
November 2020	13,661	21,856
December 2020	14,153	22,818
January 2021	13,380	21,545
February 2021	13,235	21,432
March 2021	12,824	20,829
April 2021	11,526	18,998
May 2021	11,258	18,547
June 2021	10,588	17,606

Source: Cummings Economics from Australian Department of Social Services.

Note ⁽¹⁾: Cairns LGA excluding Babinda. Note ⁽²⁾: Cairns, Cassowary Coast, Tablelands, Mareeba, Douglas.

Chart 1 – Numbers Receiving JobSeeker & Youth Allowance (Other) Payments, Cairns SA4 Region



Source: Cummings Economics from Australian Department of Social Services.

INTERNATIONAL WORKERS MISSING

Even though numbers on JobSeeker are still above pre-Covid levels, it is evident that employers are currently finding it difficult to find workforce in some fields, especially tourism and horticulture.

The problem is in large part due to the closure of international borders also shutting out a substantial element of usual pre-Covid workforce.

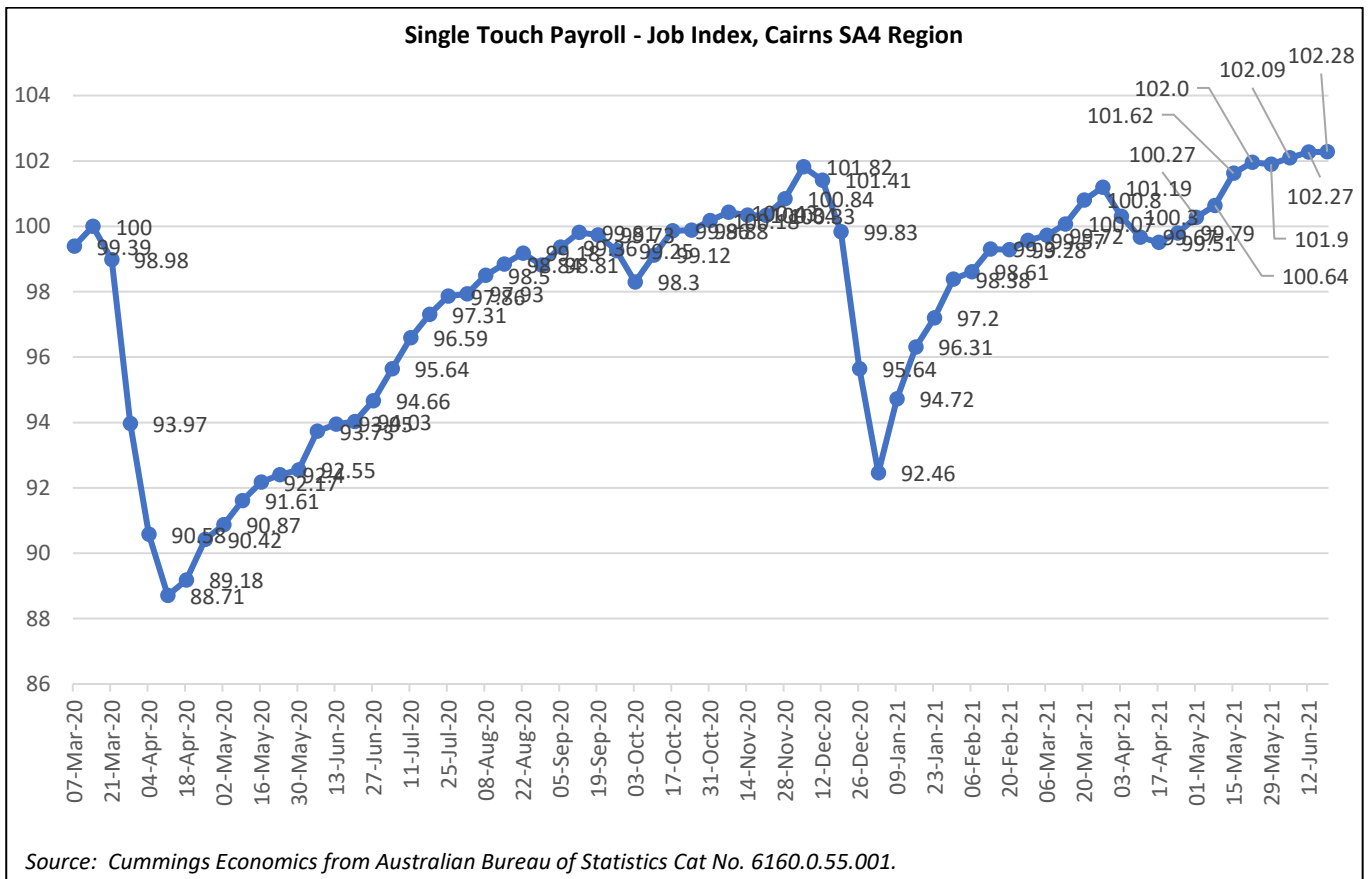
Examination of Tourism Research Australia statistics indicate that in 2019 (pre-Covid), average daily visitor population on working visas was 6,500 (backpackers 4,500 and non-backpackers 2,000). While not all of these international visitors were actually working on any given day, the figure indicates that backpackers and others on working visas made a substantial contribution to the employed workforce in the region – a contribution that is not recorded in official workforce statistics.

SINGLE TOUCH PAYROLL – JOBS INDEX – BACK ABOVE PRE-COVID MARCH 2020

The Index declined sharply to a low in April 2020 but with the assistance of Federal JobKeeper support climbed back to about pre-Covid levels in late November 2020. A combination of a sharp cut back in JobKeeper support after December along with the effects of the Xmas/ New Year holiday period saw a sharp decline followed by recovery to end March. The final cessation of JobKeeper at end March saw a minor dip only.

The Index has now recovered to be over pre-Covid levels in March 2020 by about 2%. However, taking into account usual seasonal upswing in the economy compared to March, the indications are that the region is probably still slightly below full recovery and back on a growth path.

Chart 2 – Single Touch Payroll – Jobs Index, Cairns SA4 Region



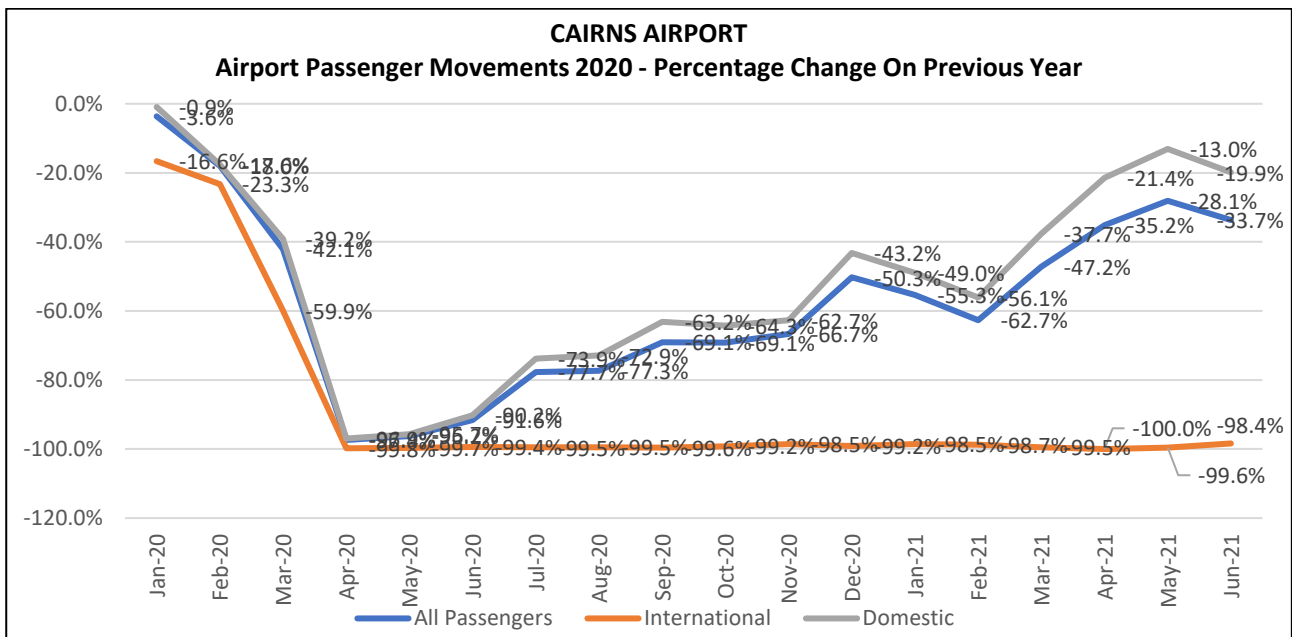
DOMESTIC ROAD VISITATION BOOMING

Anecdotal reports indicate that domestic visitation by road to the region, especially in the remoter areas, is running at record levels.

AIRPORT PASSENGERS – NEW VIC & NSW LOCK DOWNS – MODERATE DOMESTIC RECOVERY

New lockdowns in Victoria and more recently in Sydney affected the recovery in June. However, if account is taken of international visitor numbers through the domestic terminal pre-Covid, the figure indicates that domestic air visitors in June were still about pre-Covid levels for that month. Some lift came back into the international terminal in June.

Chart 3 – Airport Passenger Movements 2021 - % Change on Previous Years – Cairns Airport

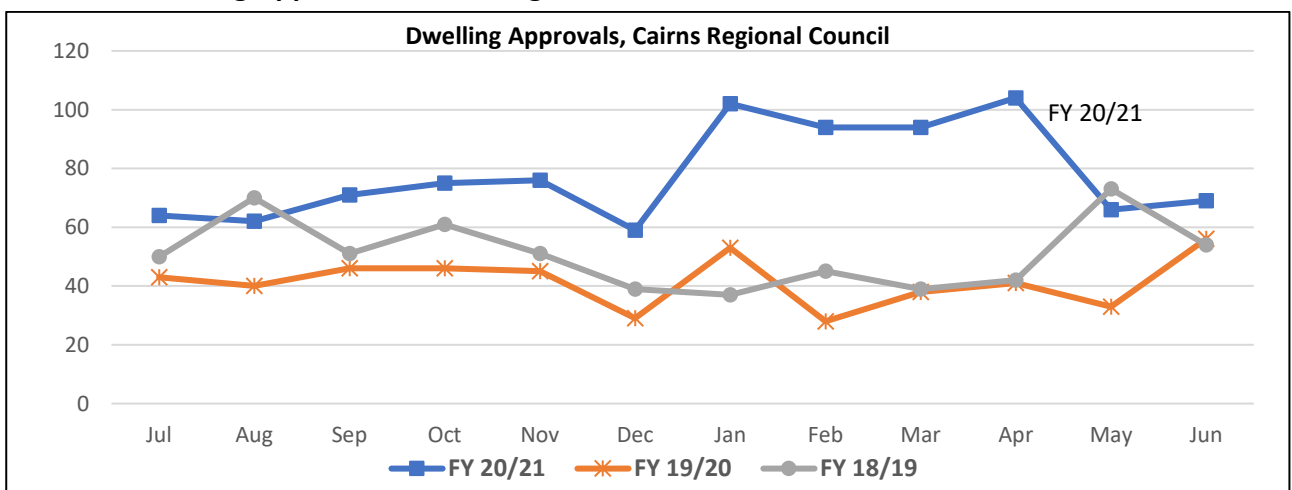


Source: Cummings Economics from Cairns Airport.

CONSTRUCTION – APPROVALS BOOM MODERATION

The following chart illustrates that in June, the boom in dwelling approvals registered by Cairns Regional Council is moderating but new approvals remain well above pre-Covid levels.

Chart 4 – Dwelling Approvals, Cairns Regional Council



Source: Cummings Economics from Cairns Regional Council.

