

CUMMINGS ECONOMICS

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January 2021 / CE Ref J3324

Statistical Note - DECEMBER 2020 ECONOMIC IMPACT OF COVID-19 RESTRICTIONS

JobSeeker

During December, the steady downward trend in JobSeeker numbers in the region since peaking in May, reversed and showed a small upward movement.

A seasonal lift in unemployment levels at this time of year could be expected. However, it signals that recovery forces are still not strong. With the JobKeeper employment support scheme terminating at end March before substantial seasonal uplift in the domestic market occurs, and unless there is some sort of employment support for those firms heavily affected by international border closures, a substantial transfer of numbers on JobKeeper to numbers on JobSeeker is likely.

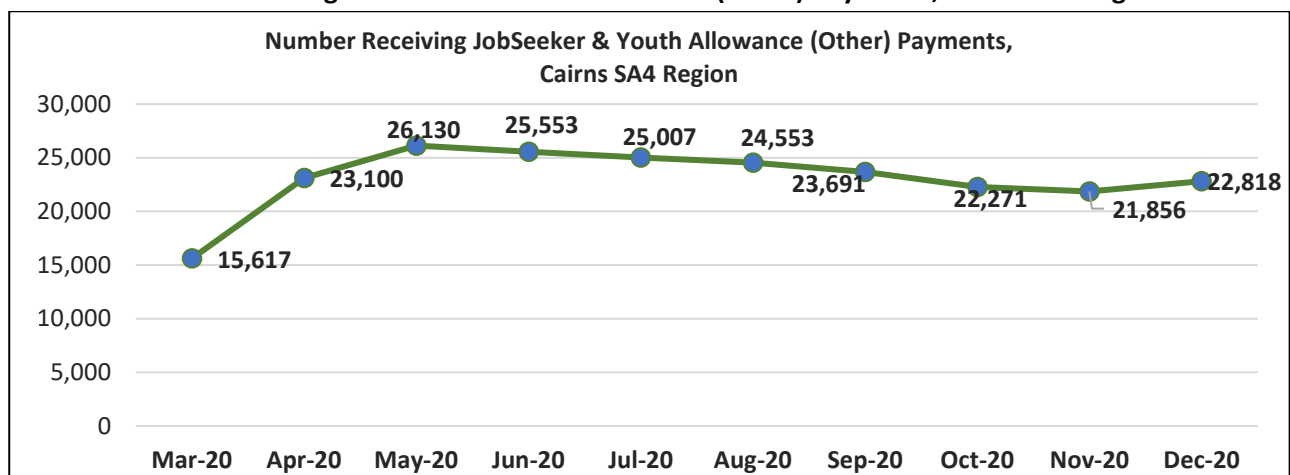
Table – Numbers Receiving JobSeeker & Youth Allowance (Other)

	Cairns ⁽¹⁾	Cairns SA4 Region ⁽²⁾
March 2020	9,256	15,617
April 2020	15,427	23,100
May 2020	16,173	26,130
June 2020	15,855	25,553
July 2020	15,476	25,007
August 2020	15,234	24,553
September	14,651	23,691
October	14,365	22,660
November	13,651	21,856
December	14,153	22,818

Source: Cummings Economics from Australian Department of Social Services.

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

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



Source: Cummings Economics from Australian Department of Social Services.

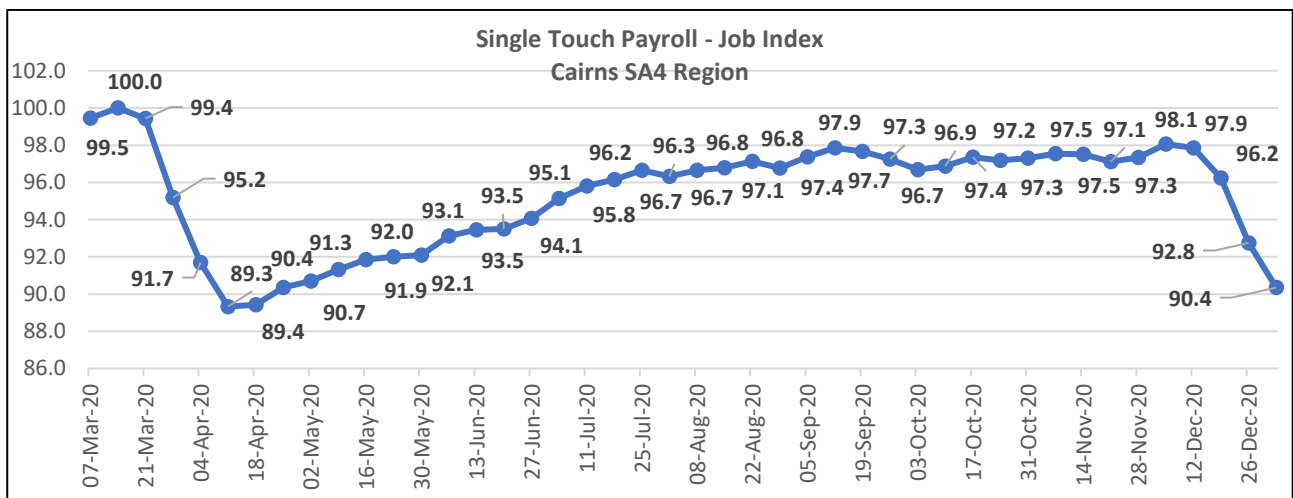
Note: In March 2020, the Department of Social Services changed the definition of JobSeeker from being confined to those on a Newstart Allowance (NSA) with a “Job Search” requirement to include all those on a Newstart Allowance including a substantial number without a “Job Search” requirement, including those directed to training, temporarily sick or injured and undertaking voluntary work.

Single Touch Payroll – Jobs Index

A new Australian Bureau of Statistics (ABS) Index of Jobs recorded through the Single Touch Payroll reporting system to the Australian Taxation Office (ATO) records a sharp fall in the Cairns SA4 region in jobs reported from an Index 100 in week ending 14th March to an Index 89.5 in week ending 11th April (ie. a fall of about 11%).

However, the recovery evident up to September appears to have plateaued. This is a new series with comparative data from previous years not available. The strong fall over the Xmas period should be ignored at this stage as probably due to offices closing for the Xmas break and not submitting payroll information. Similar patterns are evident in other regions.

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

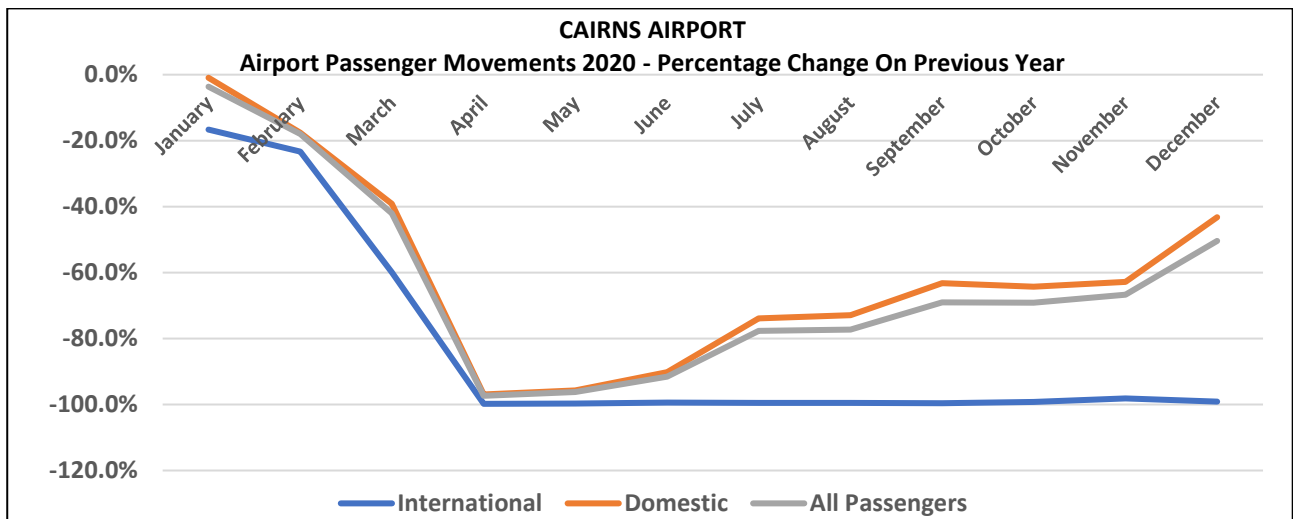


Source: Cummings Economics from Australian Bureau of Statistics Cat No. 6160.0.55.001.

Note: Part of the recovery from April could be due to seasonal upswing and due to more firms entering the STP Tax System.

Airport Passengers

The following chart compares passenger movements at Cairns Airport during 2020 with the same month in the previous year showing the percentage the 2020 figures were down on the previous year. They indicate the international terminal figures remain flat but that the domestic terminal in December has recovered to being about 45% down.



Source: Cummings Economics from Cairns Airport.

