

# CUMMINGS ECONOMICS

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“The Northern Professionals”

October 2020 / CE Ref J3324

## Statistical Note SEPTEMBER 2020 - ECONOMIC IMPACT OF COVID-19 RESTRICTIONS

### JobSeeker

During September, the numbers receiving JobSeeker payments continued to come down in the Cairns SA4 region but only very slowly (see chart).

Numbers on JobSeeker and Youth Allowance (other) payments still equate to about 20% of the workforce.

Table – Numbers Receiving JobSeeker & Youth Allowance (other)

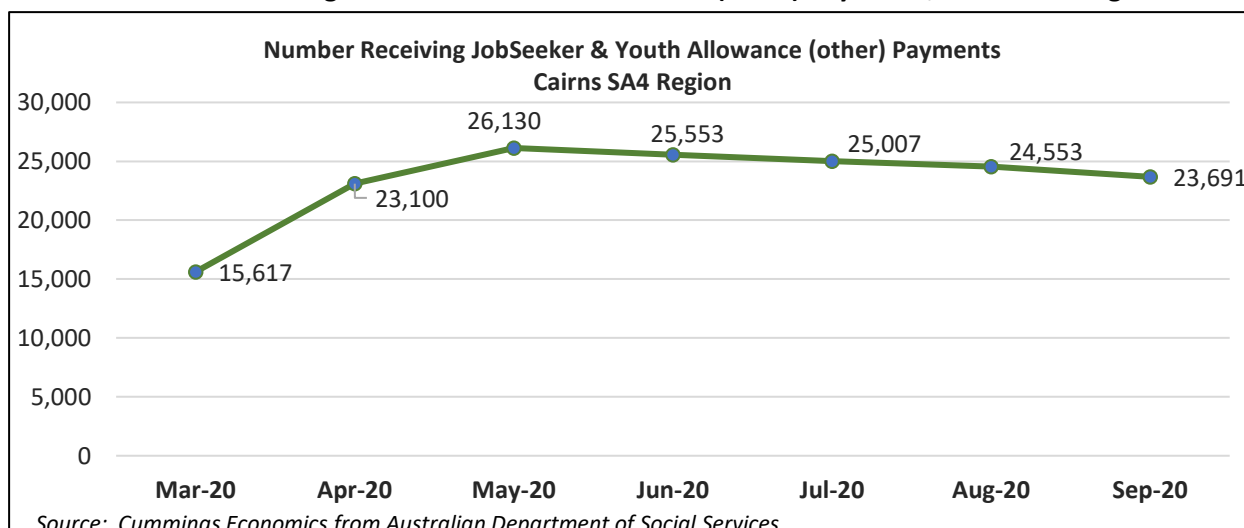
	Cairns <sup>(1)</sup>	Cairns SA4 Region <sup>(2)</sup>
March 2020	9,256	15,617
April 2020	15,427	23,100
May 2020	16,173	26,130
June 2020	15,855	25,553
July 2020	15,476	25,007
August 2020	15,234	24,553
September	14,651	23,691

Source: Cummings Economics from Australian Department of Social Services.

Note <sup>(1)</sup>: Cairns Local Government Area excluding Babinda.

Note <sup>(2)</sup>: 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.

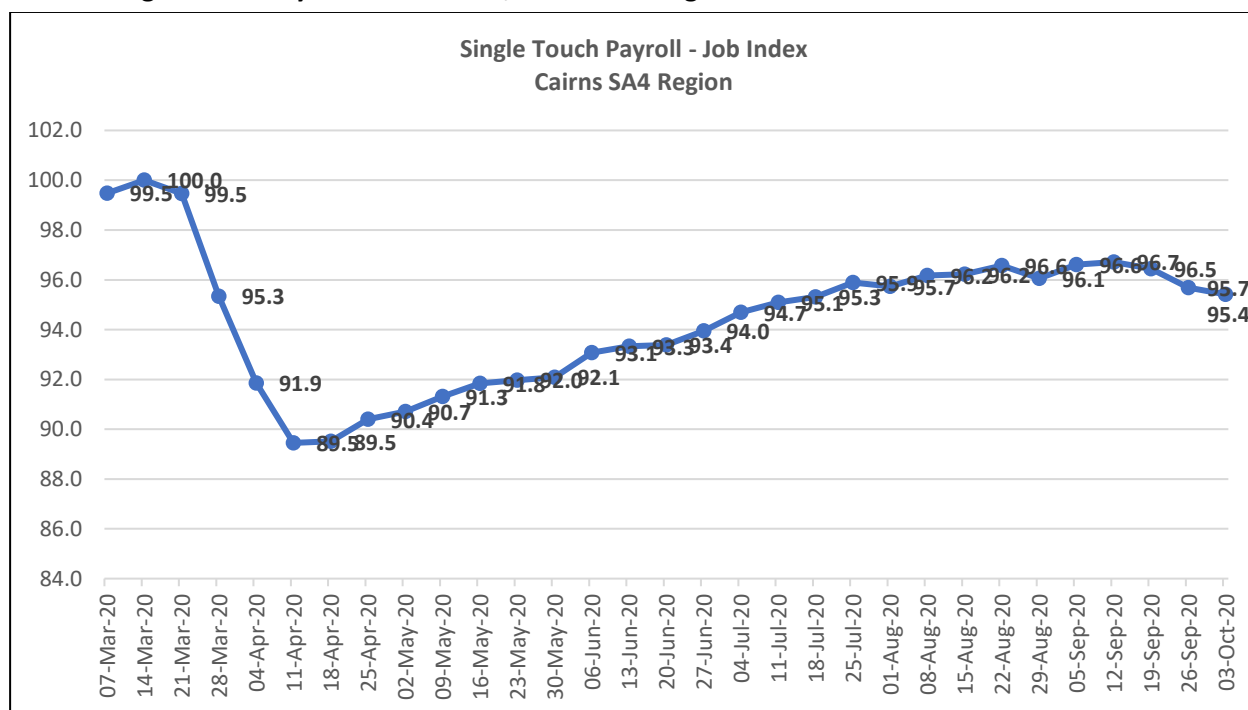
Source: Cummings Economics from Australian Department of Social Services.

**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) indicates a similar pattern. It 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%), but a slow recovery since then, back to an Index 96.7 in week 12th September 2020. Since then however, it has shown a downward trend.

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.

This series does not include a number of small businesses and self-employed and is likely to understate the fall that has taken place in employment.

The level of employment is also being substantially boosted by JobKeeper support from the Commonwealth Government.

It can be expected that as JobKeeper payment levels and qualifying conditions tighten from end September, the Index would fall.