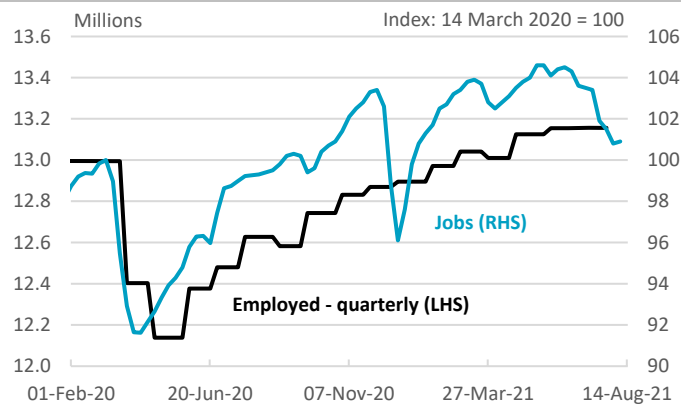


# ASFA Economic Snapshot: week ending 10 September

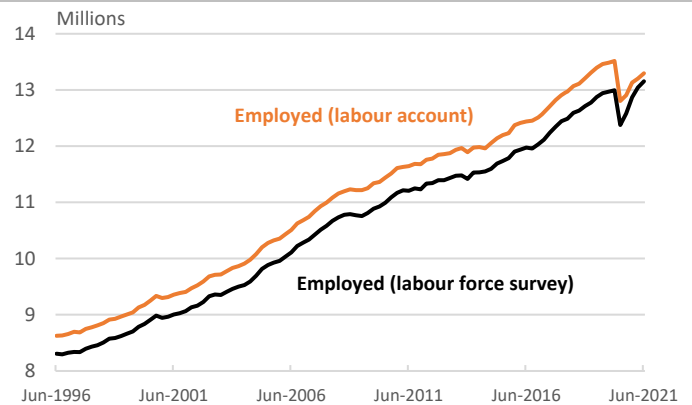
This is a weekly update on the impact of the COVID-19 pandemic on financial and economic conditions, in Australia and globally, and government policy measures to support economic activity and employment.

## Number of jobs falling, but reaching a trough



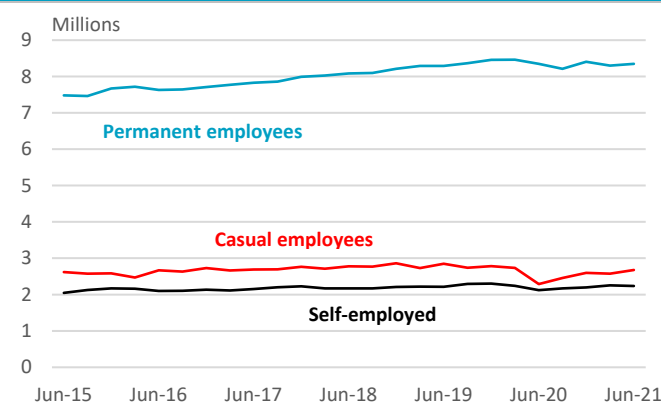
For the labour market, the highest frequency data is the number of payroll jobs (compared with the monthly Labour Force Survey - LFS). From the start of the Delta-COVID shock to mid-August, the number of jobs fell by 3%. This compares to the 8% (and steeper) fall for the 2020 COVID shock. As restrictions continue to bite, job numbers may fall further – but ultimately losses will be far less than for the 2020 shock.

## Less non-residents for the recovery phase



As at the end of June, this shows the number of employed people from the LFS (Panel 1) compared with the broader Labour Account, where the latter includes non-residents.\* The crisis saw many non-residents return to home countries – the gap between the two series above has narrowed. As was the case in early 2021, recovery will see conditions tighten quickly for trades most affected by the loss of non-residents.

## Casual workers most affected by the crisis



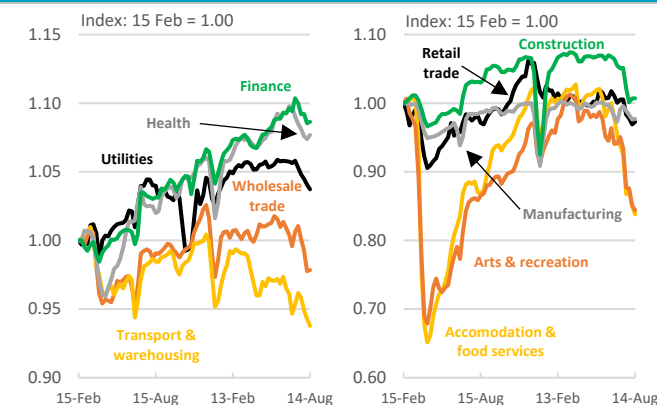
This disaggregates total employed people from the Labour Account (Panel 2). During the 2020 COVID shock, the number of permanent workers fell by 3%, while the number of casual employees fell by 10%. For firms, lower demand for labour was disproportionately reflected in lower demand for casual employees, while on the supply side non-residents are (typically) disproportionately employed as casuals.

## More people working multiple jobs



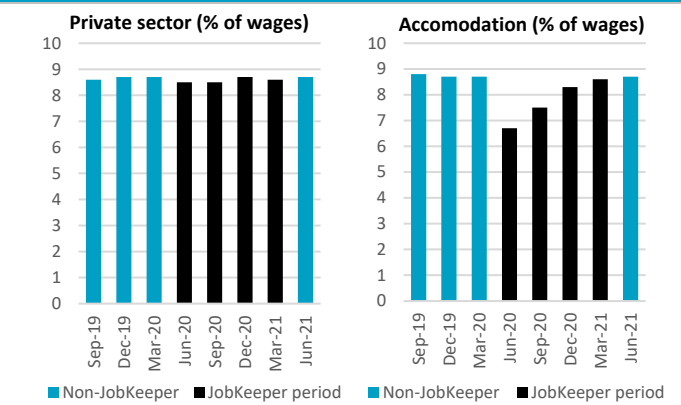
While Panel 3 shows the total number of employed people (from the Labour Account), this chart shows the percentage of employed people with more than one job. During the 2020 COVID shock, as firms' demand for labour fell, the share of employed people with multiple jobs fell. However, the early-2021 recovery saw this share reach record-highs – in part, reflecting skills shortages in some regions.

## Job losses vary across industries



From Panel 1, this shows the number of jobs by industry. The Delta-COVID shock has seen job numbers fall across major industries (largely affecting the East Coast). Overall, the industries most affected include *Accommodation & food services* (down 16%), *Arts & recreation* (which includes the sports industry, down 12%), and *Construction* (down 6%).

## SG contributions hit in most-affected industries



New data show the impact of the crisis on SG contributions. Under JobKeeper, retained workers received 'top up' earnings if hours worked in a fortnight amounted to earnings below \$1,500. SG contributions were not required to be paid on 'top-up' amounts. SG contributions (as % of wages) fell, particularly in hardest-hit industries.

Sources for each panel: (1 to 5) ABS, *Labour Account*, June 2021; ABS, *Labour Force Survey*, July 2021; ABS, *Payroll Jobs*, week ending 14 August; and ASFA calculations; (6) ABS, *Insights from Single Touch Payroll: COVID-19 impacts on superannuation contributions*. \* The Labour Account also includes people who are aged less than 15, and defence force personnel.