Senate Select Committee on COVID-19

ANSWERS TO QUESTIONS ON NOTICE

**Treasury Portfolio**

**Inquiry into the Australian Government's response to the COVID-19 pandemic**

**Division:**       Macroeconomic Analysis and Policy Division
**Topic:**          JobKeeper program ending and breakdown of job loss data
**Reference:**      IQ21-000066

**Question:**

1.  With reference to the 56,000 jobs lost when the JobKeeper program was terminated -
    Please provide the following:
    a.  The location in which job losses occurred.
        i.    By state and territory; and
        ii.   By postcode.
    b.  The industries in which job losses occurred.

**Answer:**

The 56,000 number referenced refers to an estimate, as at end May, of the number of former JobKeeper-nominated workers that were no longer employed at the end of April.

It is important to consider this number in the context of the normal flows into and out of employment. In a given month during the years leading up to the pandemic, around 400,000 people moved both into and out of employment, with most of the people moving out of employment leaving the labour force altogether, rather than becoming unemployed. As such, a flow of people out of JobKeeper positions in the order of around 56,000 is comfortably within the normal flows of employment that we regularly observe.

After JobKeeper ended in March, the unemployment rate continued to trend downwards, falling from 5.7 in March to 5.5 in April, 5.1 in May, and then below 5.0 per cent in June. While a number of former JobKeeper-nominated workers were no longer employed at the end of April, in the three months to July 2021 total employment has grown by almost 150,000 persons.

The table below shows the share of the 56,000 workers in each state. Please note that these data are constructed using different sources to other reporting on JobKeeper enrolment by state. As such they are not entirely comparable.

| State/Territory | Contribution to total employment loss (%) |
|---|---|
| ACT | 1 |
| NSW | 35 |
| NT | 1 |
| QLD | 17 |
| SA | 5 |
| TAS | 1 |
| VIC | 37 |
| WA | 3 |
| *Total* | *100* |

Treasury has not estimated the equivalent breakdowns on a postcode or industry basis.