Taking the Pulse of the Nation

More Australians are re-engaging economically and socially, but many still expect the pandemic to affect the economy and them personally for much longer.
Melbourne Institute’s Survey of the Impact of COVID-19 in Australia

Survey Results*: Wave 11 (15-19 June 2020)

More Australians are re-engaging economically and socially but this is not translating into an expectation that the negative impact of the pandemic on the economy will be over in under 6 months. The proportion expecting to be personally affected for more than 6 months increased by 7 percentage points.

- The proportion of people limiting their activities outside of their house (such as shopping, going to a restaurant or taking public transport) because of concerns about contracting COVID-19 fell from 59% in wave 8 to 47% in wave 11. However, while more Australians are re-engaging, economically and socially, it is not translating into an expectation that the negative effects of the pandemic will be over soon.

- The proportion expecting the duration of the pandemic on the Australian economy to be greater than 6 months rose slightly from 82% in wave 10 to 84% in wave 11. Significantly, more Australians expect the impact of the coronavirus pandemic to affect them personally for longer. The proportion expecting their home activities, employment situation, and social interactions to be impacted for more than 6 months increased from 50% in wave 9 to 57% in wave 11 (equivalently, the proportion expecting to be personally affected for less than 6 months, fell from around 43% to 37%).

- In this wave, there was a marginal improvement in the proportion satisfied with government policies (up by 2 percentage points to 66%), but this improvement is within statistical margins of error.

- The proportion experiencing mental distress edged up for the third consecutive wave (from 15% in wave 9, to 16% in wave 10 and 18% in wave 11). The financial conditions of Australians were more volatile. Over the last 3 waves, the proportion reporting financial stress fell by 8 percentage points, then increased by 10 percentage points and in this wave 11, it fell again by 4 percentage points.

- The swings in financial stress might be reflecting the uncertainty in the economy and the uneven incidence of job losses across the sectors. Figure 1 shows that the under-employment rate is highest for the younger age group (15-24 years) and moreover, that they are the cohort most likely to experience mental distress (as in feeling depressed and anxious most of the time during the past week) and financial stress (as in having difficulties in paying for essential goods and services). This younger age-group is vulnerable to negative economic shocks as they have little or no labour market experience and tend to move between training and working (usually on a casual or temporary basis). This cohort forms a relatively large share of employees in industries particularly negatively impacted by the coronavirus, such as the hospitality sector.

Figure 1: Underemployment rate*** and proportions (%) of mental distress and financial stress across the age groups (years)

The survey contains responses from 1200 persons, aged 18 years and over. The sample is stratified by gender, age and location to be representative of the Australian population.

** For an analysis of why there might be differences in expectations about the impact of the economy and the impact on self and how this disconnect can help the recovery process, see Research Insight ‘Will the better-than-average effect help put us on the path to economic recovery?’ by John P de New.

Figure 2: How are Australians coping with COVID-19?
11 weeks of surveys from April 6 to June 18

How satisfied are you with government economic policies to support jobs and keep people at work?

How long do you expect the effects of COVID-19 to impact on economic activity in Australia?

How would you describe your financial conditions, in terms of paying for essential goods and services?

How often did you feel depressed or anxious during the past week?

How often do you limit activities outside of your house, such as shopping, going to a restaurant or taking public transport, because of concerns about contracting COVID-19?

How much longer do you think you personally will be affected by the effects of the coronavirus pandemic (e.g. as it relates to your home activities, employment situation, and social interactions)?

+ The question about feeling depressed is about assessing symptoms/experiences and not about assessing the presence of a clinical diagnosis or disorder. The proportion in the ‘don’t know/refused’ category, is very small and has been excluded from the figures.
Melbourne Institute:
Applied Economic & Social Research

The Melbourne Institute applies cutting-edge statistical and econometric methodologies to develop primary and secondary user-ready data sets, and conducts research to inform government, education, business and community organisations. For more information, see: melbourneinstitute.unimelb.edu.au.

About the survey

These results have been drawn from Taking the pulse of the nation - Melbourne Institute’s survey of the impact of COVID-19. The aim of the weekly survey is to track changes in the economic and social wellbeing of Australians living through the effects of the coronavirus pandemic whilst adapting to various changes in Federal and State government policies.

The survey contains responses from 1200 persons, aged 18 years and over each week. The sample is stratified by gender, age and location to be representative of the Australian population.

Disclaimer

The University of Melbourne and the Melbourne Institute give no representation, make no warranty, nor take any responsibility as to the accuracy or completeness of any information contained herein and will not be liable in contract, tort, for negligence or for any loss or damage arising from reliance on any such information.

©The University of Melbourne, Melbourne Institute: Applied Economic & Social Research.

This report is copyright. Apart from any fair dealing for the purposes of study, research, criticism or review, as permitted under the Copyright Act, no part may be reproduced without written permission. Taking the Pulse of the Nation: Melbourne Institute Survey of the impact of COVID-19 presents the professional analysis and views of the Melbourne Institute.