Acknowledgment of Country:

The Government of Western Australia acknowledges the traditional custodians throughout Western Australia and their continuing connection to the land, waters and community. We pay our respects to all members of Aboriginal communities and their cultures; and to Elders past, present and emerging.

© State of Western Australia 2021

There is no objection to this plan being copied in whole or part provided there is due acknowledgment of any material quoted or reproduced.

Published by the Department of the Premier and Cabinet, Western Australia, July 2021.

This report is available at WA.gov.au
Contents

Impact of the COVID-19 pandemic 1
At a glance 2
Known impacts: Health 7
Known impacts: Economic and infrastructure 12
Known impacts: Social 16
Known impacts: Industry 19
Known impacts: Regions 24
This statement provides an overview of the impact of the COVID-19 pandemic on Western Australia. It updates the WA Impact Statement released by the Government in December 2020.

Compared to other parts of the world, there has been a low number of COVID-19 cases in the state. The coordinated response, border controls, and the community’s adherence to the guidelines and restrictions have protected everyone.

During February, April and June 2021, brief lockdowns were put in place to prevent community transmission of the virus.

Success in managing the spread of COVID-19 continues to bolster the state’s reputation as a safe place to live, work and do business. The economy continues to grow and remains one of the strongest in the nation.

The availability of safe and effective vaccines against COVID-19 offers the community the best possible opportunity to manage the health risks of COVID-19 into the future. WA is making good progress in administering vaccines.

Along with managing recovery from the COVID-19 pandemic, the WA Government continues to support residents and businesses impacted by Cyclone Seroja, the Wooroloo bushfires, and flooding in the Mid-West and Kimberley earlier this year.

This statement summarises the current and emerging impacts of the pandemic, taking into consideration ongoing measures implemented to prevent the spread of the virus and support both economic and community recovery. This includes the continued rollout of the $5.8 billion WA Recovery Plan.

“The economy continues to grow and remains one of the strongest in the nation.”
Health
The health system maintains capacity to respond to surges and is focused on the rollout of the vaccine program.

• At 30 June 2021, there have been 1,028 total confirmed cases of COVID-19 in WA including nine deaths.
• At 30 June 2021, more than 1,350,057 COVID-19 tests have been performed, and the state’s testing capacity was demonstrated with 21,443 tests conducted in a 24-hour period during the June 2021 lockdown.
• At 30 June 2021, 726,802 COVID-19 vaccine doses have been administered in WA (Australian Government and WA Health programs), inclusive of 144,955 people who have received both doses.
• Emergency department attendance numbers have increased over the 15 months between April 2020 and June 2021. Attendances in June 2021 were 13.9% (11,573) higher than the same period in 2020.
• Use of telehealth services has increased significantly with a total of 997,557 appointments delivered between March 2020 and June 2021.
• The mental health impacts of the pandemic continues to be a key issue, particularly for young people, and are expected to be further realised in the months and years to come.

21,443 tests were conducted in a 24-hour period during the brief June 2021 lockdown.
Economic and infrastructure
The WA economy continues to demonstrate its strength.

• The domestic economy (measured by State Final Demand) increased by 3% in the March 2021 quarter and by 3.8% in year-ended terms, reaching its highest quarterly level in five years. State Final Demand growth in the March 2021 quarter was underpinned by 11.5% growth in business investment, the strongest rise in nine years.

• All key components of the domestic economy are now back above pre-COVID-19 pandemic levels, aside from household consumption (which is being impacted by international travel restrictions).

• Both business and consumer confidence in WA remain above pre-COVID-19 pandemic levels.

• More hiring is expected in the near term, with job vacancies in May 2021 close to their highest level in around nine years and almost 65% above pre-COVID-19 pandemic levels.

• WA has more than fully recovered the initial jobs lost due to the COVID-19 pandemic while the unemployment rate was just 4.7% in May, the lowest since December 2013 and the lowest of all states.

• Support from the WA and Australian Governments has also led to a significant increase in activity in the construction industry, with a large pipeline of work creating jobs across the state.

“Both business and consumer confidence in Western Australia remain above pre-COVID-19 pandemic levels.”
Arts, culture and sports facilities remain open and provide opportunities for recreation, social connection and wellbeing.

Social

While economic recovery continues to be above expectations, pressure remains on key social areas.

• Homelessness support referrals have been tracking at or below 2019 levels since March 2020. May 2021 referrals were the highest reported since early 2020, but decreased in June 2021.

• Housing availability is a concern, with the stock of rental properties at very low levels statewide. Median rental prices in Perth have risen over the past year while the vacancy rate, at 1.2% in June 2021, remains well below the equilibrium rate of 3%.

• There has been an increase in reported incidents of family and domestic violence, with 11.3% more (family) assault offences between March 2020 and May 2021 than in the same period in 2019–20.

• Demand for the Emergency Relief and Food Access Service has been increasing since November 2020, reaching a peak in March 2021, with slight declines in May and June 2021.

• Arts, culture and sports facilities remain open and provide opportunities for recreation, social connection and wellbeing. However in the event of a lockdown, restrictions can cause disruption to the industry, specifically planning related to events and travel.
Industry

The ongoing impact and speed of recovery continues to vary across industries, with the remaining restrictions, levels of government support and external environment having different effects on different industries.

- Growth in retail trade has reached historic highs, increasing by 15.4% in annual average terms to April 2021. Spending in April 2021 was 16% above pre-COVID-19 pandemic levels.
- Underpinned by support from the WA and Australian Governments, residential construction continues to show exceptional strength. Building approvals are up a record 81% annually to May 2021, while finance for new dwelling construction was up 145.8% – also a record.
- The global economic recovery has led to significant increases in commodity prices and record sales values for WA’s mining industry. Reflecting this, the value of merchandise exports reached a record high of $213.8 billion in the year to May 2021.
- Ongoing travel restrictions continue to constrain WA’s trade in services (including tourism and international education), as well as larger entertainment events. Services exports have declined by a record 42.6% in the year to March 2021. However, the redirection of spending to the local tourism market has provided partial compensation for the tourism sector.
- Skills shortages have emerged as a pressing issue across a range of industries, exacerbated by the restricted availability of labour from interstate and overseas. There are reports of skills shortages in industries that are central to the state’s economic recovery, including mining, construction and transport, as well as in the health and hospitality sectors.
Regional food and agriculture businesses have seen considerable investment over the last 12 months.

Regions
WA’s regions are recovering strongly and, while each region is recovering differently and challenges remain, opportunities are emerging with more than 15,000 jobs created over the last 12 months and job advertisements continuing to increase.

• Economic conditions are improving across the board, with a steady pipeline of WA Recovery Plan projects flowing through to regions and ensuring local opportunities are maximised.
• The number of Jobactive cases in the regions rose from 16,464 in the week ending 23 February 2020 to 27,903 at the end of June 2020, but have since eased to 20,882 at the end of June 2021.
• Regional food and agriculture businesses have seen considerable investment over the last 12 months. While the sector has had to manage workforce shortages and supply chain vulnerabilities it has continued to grow, adding $8.7 billion in export income in 2020.
• The ‘Wander out Yonder’ campaign has been very successful in encouraging Western Australians to travel and holiday in the regions.
• Regional unemployment fell to 4.6% in May. JobActive numbers indicate that shifts in employment are resulting in an increased number of over 50 year olds and part-time casual workers (who are disproportionately female) becoming unemployed.
• Demand for regional housing is driving new building approvals to record levels, with many regions experiencing increasing rental costs and reduced availability.
Known impacts:
Health

COVID-19 cases

At 30 June 2021, there have been 1,028 total confirmed cases of COVID-19 in WA, including nine deaths. More than 1,350,057 COVID-19 tests have been performed. A plan is in place for the rapid surge of testing across public and private sector pathology providers, including specimen collection and laboratory services. This testing capacity has been verified with 21,443 tests conducted in a 24-hour period during the June 2021 short four-day lockdown.

Vaccination program

At 30 June 2021, a total of 726,802 COVID-19 vaccine doses have been administered in WA, following the commencement of the vaccination program on 22 February 2021.
As of 30 June 2021, 144,955 Western Australians have received both doses of either the AstraZeneca or Pfizer vaccine.

In May 2021, vaccinations were made available to the general population in health and other facilities in metropolitan and regional WA for those eligible in Phase 1a, 1b, people over the age of 50, and people under the age of 50 with a medical condition or disability. From 8 June 2021, all Western Australians aged 30 years and over could register to receive a vaccination.

Vaccine hesitancy is a key challenge for the success of the vaccine rollout across the state.

Recent directions under the Public Health Act 2016 have mandated that, from 10 May 2021, anyone working in WA’s hotel quarantine system must be vaccinated against COVID-19.

In July 2021, expansions to WA’s vaccination program were announced to allow more eligible Western Australians to get vaccinated at new clinics from September in Perth CBD, Midland and regional WA.
Health system readiness

Ensuring the health system’s capacity to respond to widespread community transmission remains a key priority, with an expanded vaccination program and overarching integrated outbreak plan as well as both service and community specific outbreak plans in place.

COVID-19 clinics continue to operate at Royal Perth Hospital, Fiona Stanley Hospital, Sir Charles Gairdner Hospital and in Bunbury, Midland, Rockingham, Armadale, Joondalup, Kununurra and Broome.

There remains a good supply of personal protective equipment (PPE), with a dedicated procurement team maintaining targets for PPE, medical equipment and health care supplies from existing and new suppliers.

At 19 May 2021, the Department of Health employed 50 full-time equivalent (FTE) contact tracers. In addition, there are approximately 640 contact tracers available on a surge register.

Waitlist for elective surgery

Following restrictions to elective surgery imposed during lockdowns in early February and late April 2021, elective surgery returned to full capacity at 1 May 2021. From 2 June 2021 some non-urgent elective surgeries have been rescheduled to help ease pressure on the hospital system. During the four-day lockdown in June 2021 there was a pause on all non-urgent procedures.

Emergency department attendances

Attendance numbers have increased over the last 15 months with 28,194 more attendances between April 2020 and June 2021. Attendances in June 2021 were 13.9% (11,573) higher than the same period in 2020.
Innovation and digital health

The COVID-19 pandemic has highlighted the importance of access to appropriate digital services, supports and infrastructure in the delivery of healthcare. This is evidenced by a rapid escalation in telehealth and telephone appointments which saw an increase of 66% from May 2021 compared to October 2019. In April 2021, 23% of all outpatient appointments were conducted virtually (telehealth and telephone).

![Telehealth/telephone attended appointments](source: Department of Health)

Mental health

The mental health impacts of the pandemic continue to be realised across WA, with contributing factors including the separation of families both interstate and overseas, working from home, and pressures relating to rental and job security.

Between July 2020 and April 2021, there were 54,909 mental health related emergency department attendances across WA, an increase of 4.0% compared to the same period in 2019-20.

While some alcohol-related harm indicators diminished during the early stages of the pandemic, most have returned to pre-pandemic levels. In August 2020, estimated methamphetamine consumption decreased to a four-year low, however signs that consumption is returning to pre-pandemic levels have started to emerge.

A range of measures has been put in place to support those in need including the expansion of mental health, alcohol and other drug services across the state; provision of community-based accommodation services; and funding for existing services to adjust to the impacts of the pandemic.
At-risk people and communities

Older people and residents of residential aged care facilities are among the most vulnerable to COVID-19. To support preparedness, WA Health has undertaken proactive engagement including co-developing and testing outbreak plans and providing free personal protective equipment to all residential aged care facilities state-wide. In addition, it is now delivering the COVID-19 vaccination program to residential aged care facilities staff.

People experiencing homelessness are also highly vulnerable to COVID-19. The Discharge Facilitation Fund has been established to support safe discharge by providing flexible funding for short term accommodation, taxis, transport, travel home to country and mobile phone credit. Support for homeless people is also provided by Homeless Healthcare which provides mobile street and fixed site clinics in inner-city Perth.

Aboriginal people are at greater risk during a pandemic. This risk has been reflected in clinical guidelines and planning related to COVID-19. Supply and logistics for delivering the vaccine to remote communities across WA presents several challenges. Substantial planning and collaboration between service providers to support vaccine implementation strategies are ongoing.

Partnerships between key agencies have been developed to enable accurate and credible information about the vaccine program to be provided to Aboriginal communities.

Vaccination rollout for people with disability has been challenging due to restrictions on the administration of vaccinations to certain age cohorts, issues relating to consent and eligibility of family members for priority vaccinations. The Australian and WA Departments of Health have made health messaging available in various formats to assist people with disability and disability service providers.

COVID-19 also poses additional challenges for culturally and linguistically diverse people, especially those with lower levels of English and health literacy such as refugees and humanitarian entrants. To address this, the health system continues to work with agencies that engage directly with multicultural communities to provide clear and easily understood health messaging in different languages.

Regional response plans have been revised and continue to be tested as part of WA Country Health Service’s assurance program. Regional ports continue to be involved in activating and testing outbreak plans.
Known impacts: Economic and infrastructure

Economic update
Following a severe 6% decline in the June 2020 quarter, the state’s domestic economy has grown for three consecutive quarters and is now at its highest quarterly level in five years (at March 2021). The 2020-21 Pre-election Financial Projections Statement projects 2.25% State Final Demand growth in 2020-21 and 2% growth in the total economy (measured by Gross State Product). WA Government revenue has continued to be more resilient than previously estimated, aided by a stronger than expected economic recovery and commodity prices (especially for iron ore).

Skills
Job vacancies have risen to be almost 65% above pre-pandemic levels in May 2021. While this aligns with positive momentum across the economy, it may also partially be attributed to businesses having trouble filling advertised positions, with widespread anecdotal reports of skills shortages across a range of industries.

The WA Government’s Skills Summit plans to hear from business leaders on what more can be done to address skills needs to ensure the workforce continues to be globally competitive in the coming years.

“Job vacancies have risen to be almost 65% above pre-pandemic levels in May 2021.”
Jobs

Underpinned by stronger economic conditions, WA has now more than fully recovered the initial jobs lost due to the pandemic while the state’s unemployment rate has fallen to 4.7% in May 2021. Job advertisements were near a nine year high in May 2021, indicating that hiring is likely to continue.

Employment

Business confidence

Business confidence in WA, measured by the NAB Business Survey, has been positive for 12 consecutive months to May 2021 and remains well above pre-pandemic levels (despite falling slightly in the month).

In trend terms, confidence was the highest among the states/territories.

A July 2021 survey conducted by the Chamber of Commerce and Industry WA found that close to three in five businesses across the nation are expressing an increased interest in shifting their investment to WA.
**Consumer sentiment**

The Westpac-Melbourne Institute Survey shows consumer sentiment moderated during the June quarter 2021 but remained above pre-pandemic levels. The quarterly fall likely reflected the impact of the lockdowns throughout the nation.

![WA consumer sentiment graph](image)

**Source:** Westpac/Melbourne Institute

**Consumer spending**

Real retail trade grew by 8.8% in annual average terms to the March 2021 quarter, the highest growth since 2012. More recent data in nominal terms shows retail spending fell by 1.5% in April 2021 (likely due to the three-day lockdown in late April) but remains over 16% above pre-pandemic levels with annual growth strengthening to a record.

**Residential construction and housing market**

Activity in the residential construction sector has picked up strongly following the announcement of construction grants in early June 2020. Residential building approvals reached a total of 24,982 in the 11 months to May 2021 compared to 13,183 over the same period a year earlier, representing an increase of 89.5%. Demand in the established housing market has also been robust with total sales for detached homes and units increasing by an annual average of 54% in June 2021.

**WA Government revenue**

General government revenue for the first nine months of 2020-21 was $3,678 million higher than the same period last year. This growth is due mostly to higher royalty income (up $2,103 million) as a result of a higher benchmark iron ore price, the timing of dividends from public corporations (up $836 million), and higher tax collections (up $576 million) primarily reflecting the strength of the residential property market.
Sales of motor vehicles
Sales of new vehicles in May 2021 were at their highest since June 2016 (almost five years), with annual growth reaching 23.3% - the highest of all states/territories and well above national growth of 8.4%.

Perth CBD
WA’s domestic economy has bounced back strongly, however indicators such as card spending, foot traffic at retail outlets, number of active merchants and hotel occupancy have all suggested that recovery has not been as strong in the Perth CBD as the rest of the state. While spending in the Perth CBD is above pre-pandemic levels, it has not grown as much relative to the whole of WA.

The WA Government has introduced initiatives that directly assist those most affected by the pandemic such as the “Stay, Play and Save” campaign which provides discounts to people staying in selected hotels on a two-night mid-week stay.
Known impacts: Social

Family and domestic violence

The WA Police Force reported increases in family assault offences of around 11.3% between March 2020 and May 2021 compared to the same period 12 months earlier. Although calls to family and domestic violence helplines have been tracking at or below last year’s level, they were higher in May 2021 compared to the same period a year ago. There is some concern that lower government support payments and higher rental costs could exacerbate family and domestic violence levels during recovery.

Number of calls to FDV helplines (inc. calls transferred in)
Women
Women were disproportionately affected by unemployment and increased caring responsibilities in the early stages of the pandemic. However, once restrictions were lifted, industries with high concentrations of female workers recovered well. For example, while peaking at 8.5% in June 2020, female unemployment fell to 4.6% in May 2021. This was below the national female unemployment rate of 4.7%.

Housing and homelessness
The majority of homelessness demand indicators in June 2021 remain elevated when compared with the same period in 2020. The public housing waitlist is up more than 18.5% since March 2020. The rental vacancy rate is 1.2% in June 2021, well below the five-year average of 3.9%.
Community and social capital
Following short snap lockdowns in April and June 2021, the majority of restrictions on arts, culture, community, sports and hospitality venues have now been lifted. This has encouraged people to reconnect with local friends, family and services, and is improving overall community wellbeing while continuing to provide much-needed revenue and jobs.

A controlled border arrangement is in place for WA, based on the latest public health advice, and permits travel interstate and with New Zealand (subject to conditions). This is encouraging Western Australians to reconnect with family and friends from low risk states/territories and New Zealand.

Education
School attendance for all public school students across weeks 3 to 6 of Term 2 in 2021 was similar to comparative historical data.

Crime and justice
Following a steady decline throughout most of 2020, the prisoner population increased by 1.9% from October 2020 to May 2021.

Child protection
The number of children in care has remained stable in 2021. At the end of May 2021, the number of children in care was 3.1% lower than at the end of May 2020.

Youth unemployment
Youth unemployment in May 2021 was 12.1%, the second-highest rate of all states/territories. At May 2021, around 74% of the initial 42,900 jobs lost in the 15 to 24-year age cohort has been recovered.
**Known impacts: Industry**

**Agriculture and primary industries**
Agriculture, primary industries and food have played an important role in WA’s economic resilience and recovery to date. The sector is the second largest traded sector and has seen considerable investment to unlock growth opportunities and support economic diversification. However, like a number of industries, the sector has had to manage workforce shortages and supply chain vulnerabilities given its high export market dependence. The state’s relationship with key markets is vital to maintain and grow this sector.

**Retail and hospitality**
Retail trade has been at an elevated level since mid 2020, bolstered by stimulus and support measures as well as spending diverted by locals from interstate and overseas travel. The short term lockdown in the Perth and Peel regions in early February 2021 led to a large drop in retail turnover that month, but this almost entirely recovered in March 2021. Longer term, the pandemic is expected to reshape jobs, businesses and consumer behaviour in these sectors.

“\nAgriculture, primary industries and food have played an important role in WA’s economic resilience and recovery. “
**Construction**

Activity in the construction industry is vibrant, being supported by a range of WA Government funded projects and measures. The number of monthly dwelling approvals has averaged over 2,700 in the first five months of 2021, compared to an average of just under 1,200 over the same period a year earlier. Industry concerns have now turned to managing the high demand for labour and materials given the large pipeline of work across the state and constraints on workforce mobility.

**Tourism**

International border closures and uncertainty around interstate borders continue to have an adverse impact on much of the sector. Although Western Australians are spending record amounts in their own state, this has not made up for interstate and international shortfalls. While regional WA has benefited from increased spending by Western Australians, Perth, which has traditionally relied on out-of-state visitation, has struggled. Interstate travel and international travel in the shape of the New Zealand bubble have grown visitation but numbers are relatively small as confidence to travel remains fragile. In prospering regional areas, staff availability is an issue due to the lack of international/interstate casual labour. Overall airline service availability is back to three quarters of pre-COVID 19 pandemic levels, helped by growth in regional (intrastate) capacity.
**International education**

While no new international students are arriving, new enrolments are coming from students who are already in WA and have decided to study onshore. The net impact has been negative: new student enrolments for 2020 declined by 20% and new enrolments for the first quarter of 2021 have declined by 32%. Small to medium sized private education providers that deliver shorter courses have been the most affected as they rely on a continual turnover of onshore international students to generate revenue. The WA Government has worked with industry to develop the International Education Recovery and Renewal Plan. It was released in December 2020 with a range of initiatives and funding to support the sector, expand online activities and rebuild the pipeline of international students.

**Sport and recreation**

Minor impacts have been experienced by the sport and recreation industry during the two periods of re-introduced restrictions, including postponement of fixtures and training and cancellation of some interstate travel. Fitness centres and gyms have experienced major financial impacts due to strict closures and changes to operating guidelines. Uncertainty of future border restrictions remains the biggest impediment for travel related events and planning.

**Culture and the arts**

Restrictions and lockdowns in the first half of 2021 have resulted in a further $32 million estimated loss of revenue for the culture and arts industry. Market uncertainty and ongoing travel restrictions continue to limit revenue and employment.
Manufacturing
With initial concerns of ensuring local manufacturing capacity of PPE having been addressed, the local manufacturing industry’s focus has turned to realising longer term opportunities as a result of the pandemic’s disruption and other global trends. For example, the WA Recovery Plan provides support for the local manufacture of wind turbines and railcars for the iron ore industry.

Resources and energy
The global economic recovery has led to multi-year highs for the prices of nickel, copper and aluminium, while iron ore prices remain high. This has led to increases in mineral exploration expenditure and commitments for new projects. Oil and gas prices have also increased since late 2020 but future development plans remain uncertain amid the growing global push for decarbonisation. Increased interest in clean energy is a positive for the state’s emerging renewable hydrogen sector.
Defence and related industries

Activity in the defence industries remains largely unaffected with the inclusion of an appropriate essential worker definition. Infrastructure investment in Henderson to accommodate naval sustainment and construction programs is progressing as planned. Travel restrictions have affected the ability of the defence and related industries to conduct business, and work with Australian Government departments and specialised contractors.
Known impacts: Regions

WA’s nine regions are vital to the state’s economy. They are home to key agriculture, mining, manufacturing and tourism industries. They account for one quarter of the state’s population and produce around one third of the Gross State Product and 95% of exports.

Employment

WA’s regional economy is recovering strongly, with more than 15,000 jobs created over the last 12 months and job advertisements continuing to increase. There are now more jobs in the regions than people to fill them, with most regions at or near full employment and job vacancies across all levels of skilled and unskilled employment sectors.

Job advertisements in the regions continue to grow and Australian Bureau of Statistics labour force data for May 2021 shows employment recovery in regions has been strong.

In the three months to May 2021, employment in regional WA sits 1.7% above pre-pandemic levels compared to 2% higher in greater Perth.

Job advertisements by regions

Source: Seek.com
**Housing**

Most regions are experiencing significant tightening in the rental market. High demand for regional housing is driving new building approvals to record levels. Building approvals are currently over three times what they were during the height of the pandemic. This demand is most evident in the Southwest and Peel.

**Labour and skills**

Regional WA has a persistent shortage of service workers across multiple sectors compounding an already challenging service delivery environment. Shortages are most pronounced in primary industries, hospitality, tourism, construction, education and health.

Access to labour markets to address the shortages has been disrupted by the pandemic, particularly those sectors which rely on seasonal workers. In response, the WA Government is working to increase the regional workforce through initiatives like the Work and Wander out Yonder and the Paid Escape programs (attracting city-based workers to the agricultural, tourism and hospitality sectors in regional WA) and Seasonal Worker Program/Pacific Labour Scheme.
**Childcare**

Childcare is a critical determinant of liveability for the regions and a workforce enabler. Across regional WA there is an ongoing shortage of childcare workers with centres reporting challenges with attracting and retaining qualified staff to meet mandatory staffing ratios.

**Remote Aboriginal communities**

Several remote Aboriginal communities remain closed or only partially open to visitors. Ongoing cooperation and collaboration between the government and Aboriginal communities continue to respond to the safety and wellbeing of members of remote Aboriginal communities across the state.