

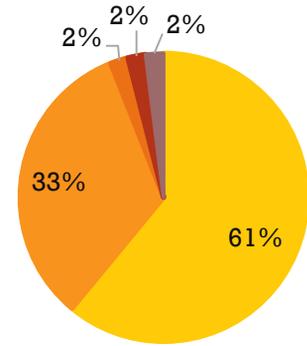


## Introduction

AustCham surveyed members of the Australia-China business community to better understand the impact of the COVID-19 pandemic on Australian businesses in China. Responses from 102 businesses were received over the 13-25 February period.

Unsurprisingly, there is a predominantly negative sentiment held by respondents, with 94% expecting COVID-19 will have a negative impact on their business. Uncertainty surrounding returning to normalcy and the associated government regulations over the coming months are the concerns most commonly shared by respondents.

## COVID-19 BUSINESS SENTIMENT

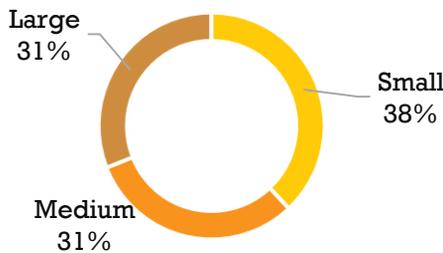


- Significant negative impact
- Slight negative impact
- Slight positive impact
- Significant positive impact
- Don't know

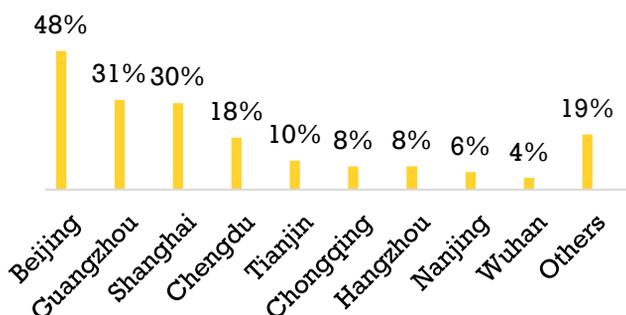
## Descriptive Statistics

There was an even spread of respondents' business size, with the median business employing 29 staff. Respondents are spread across China (with all having ties to Australia), operating in diverse range of sectors.

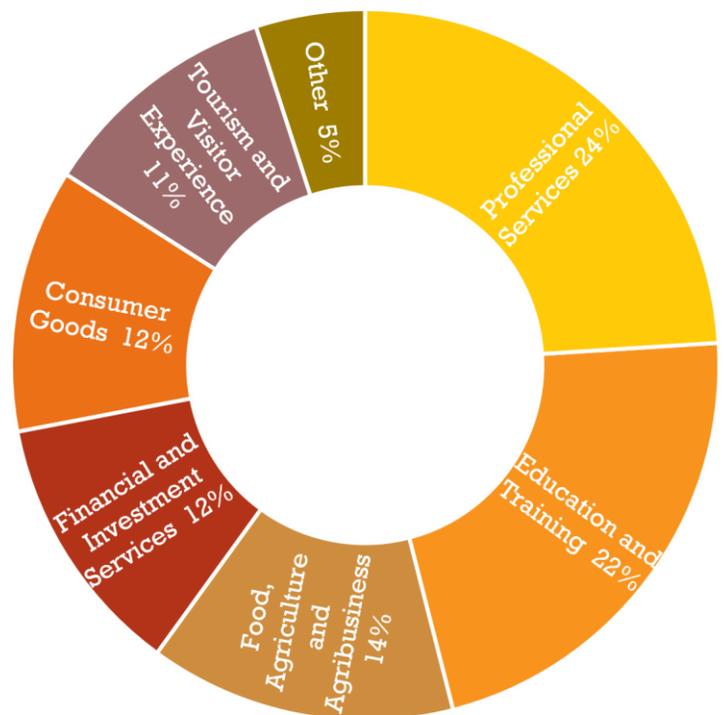
### Business Size



### Business Location



### Operating Sector

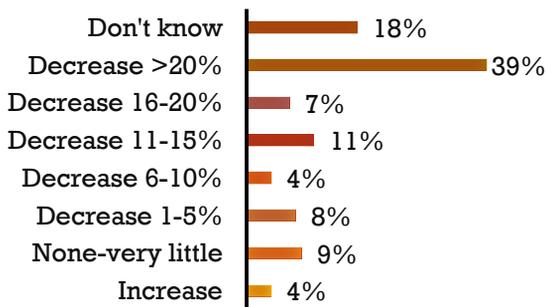




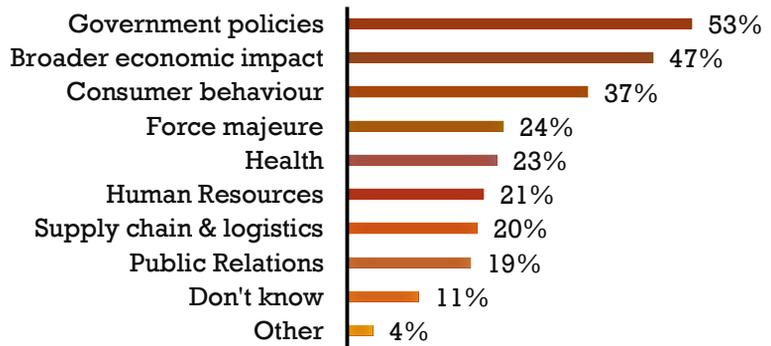
## Expected Impact on Business

With few exceptions, businesses are expecting to see their revenue take a serious hit in 2020. Australian businesses operating in the health sector are a rare example of firms benefiting from the situation, with Australian expertise and equipment being in high demand.

### EXPECTED IMPACT ON 2020 REVENUE

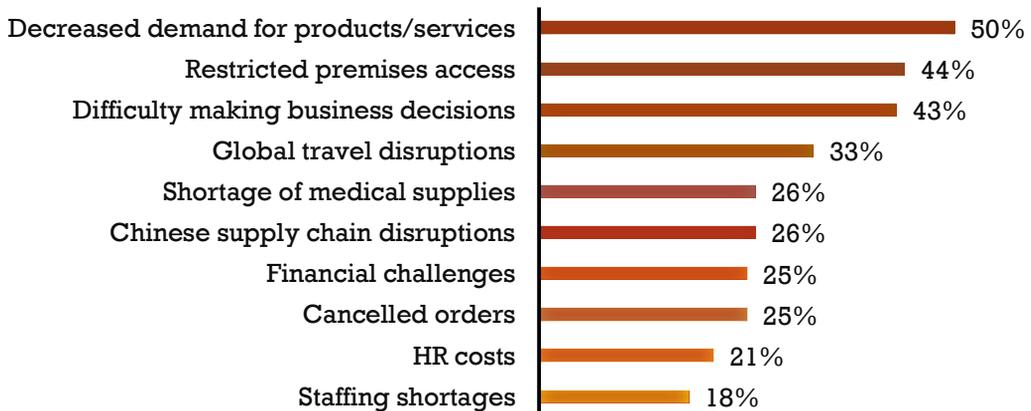


### KEY UNCERTAINTIES



SMEs are disproportionately negatively affected, with 46% small businesses (<20 staff), 45% medium business (20-200 staff), but only 25% of large businesses (>200 staff) selecting the most severe “>20% expected revenue decrease” option.

### BUSINESS CHALLENGES



The most commonly reported issues negatively affecting business operations are decreased demand for products/services (50%), restrictions of access to premises (44%), and uncertainty and inability to make business and investment decisions (43%).

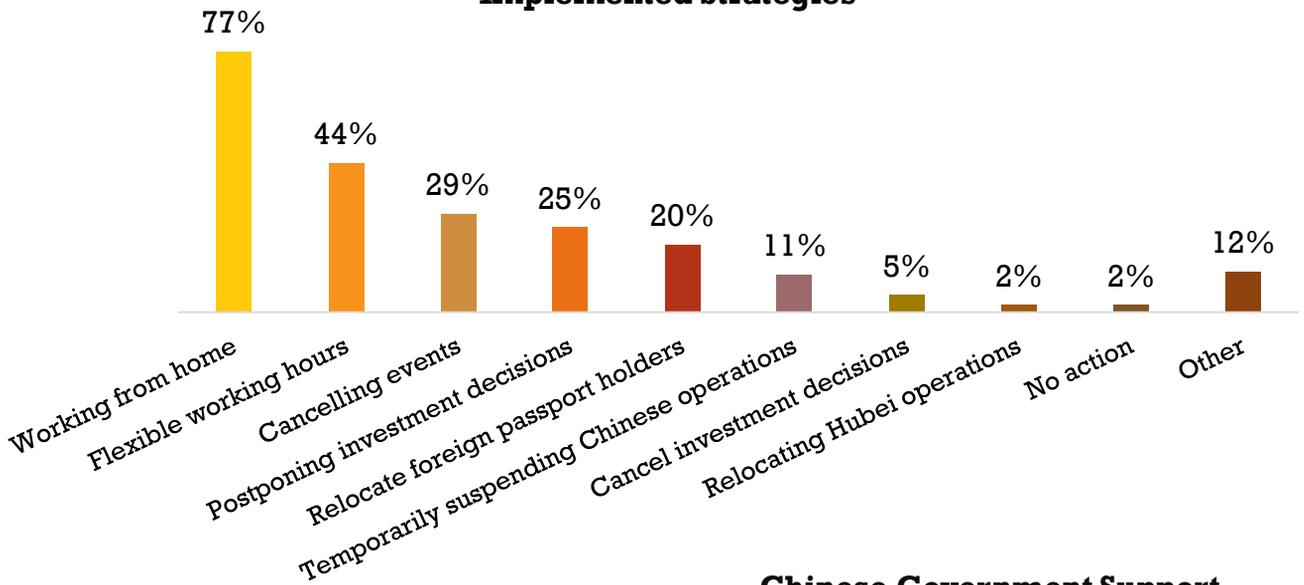
The areas businesses are most uncertain about regarding COVID-19 are understanding government policies (53%) and the broader economic impact of the pandemic (47%).



## Business Response

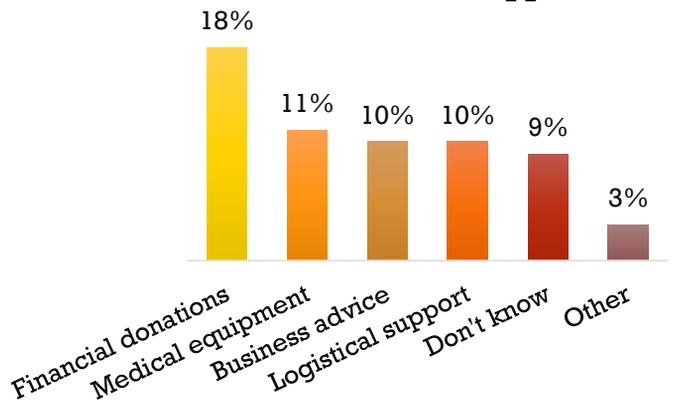
Businesses have been proactive in responding to the crisis, implementing a number of initiatives to reduce COVID-19’s impact on their operations. By far the most common action is introducing ‘work from home’ procedures – being reported by 77% of respondents.

**Implemented Strategies**



Generous support of Chinese government actions has been demonstrated by respondents, with over a third (36%) of businesses assisting the Chinese government’s efforts to tackle the COVID-19 pandemic.

**Chinese Government Support**



## Conclusion

There is no doubt that businesses around the world are battling through unprecedented times of uncertainty. AustCham will continue to support the Australia-China business community through regular webinars and updates across our social media channels (WeChat/Weibo/email newsletter/LinkedIn). We encourage you to reach out if there is any way we can help you and your business adjust to the ‘new normal’ more smoothly.