



# Business conditions improve but cash reserves have reduced

Media Release

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**i** Source: [Business Conditions and Sentiments, February 2021](#)

The proportion of businesses facing reduced cash flow and lower demand has reduced but challenges still remain, according to results released from the Australian Bureau of Statistics (ABS) today.

ABS Head of Industry Statistics, John Shepherd, said the latest Business Conditions and Sentiments Survey showed that in February, 30 per cent of businesses were impacted by reduced cash flow and 28 per cent by reduced demand. This compares to 72 per cent and 69 per cent in April 2020, when businesses were last asked about these impacts.

Two in five (41 per cent) businesses reported being impacted by COVID-19 restrictions in February. This compares to 53 per cent in April 2020.

“Businesses provided comments on the COVID-19 restrictions impacting them. International and domestic border restrictions, capacity limits, and increased cleaning requirements were highlighted as concerns.” Mr Shepherd said.

The survey results also showed that for 41 per cent of businesses, cash on hand would cover less than three months of business operations. This compared to 29% in October and June 2020.

Data was collected between 10 February and 17 February. Further information is available in Business Conditions and Sentiments (Cat. No. 5676.0.55.003).

The ABS thanks all those who contributed data to this release.

## Media Notes

- This publication was previously named Business Indicators, Business Impacts of COVID-19.
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