



BRIEFING PAPER

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Coronavirus: Impact on the labour market

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Summary

This briefing was last updated on 16 September 2020. This is a fast-moving situation, so please be aware that information may have changed since the date of publication. The Library intends to update this briefing.

This paper tracks the evolving impact of the coronavirus outbreak on the labour market.

On the 15 September, the labour market statistics for May-July 2020 were published.

For the first time since the pandemic, these statistics showed a rise in unemployment, while redundancies and the number of people claiming unemployment benefits also increased. However, the statistics also suggested that there was a recovery to some extent, with both the number of working hours and vacancies increasing.

To date, the pandemic has had more of an impact on the labour market status of particular age groups.

Employment levels for those aged 16-24 and 65+ fell by 336,000 in May-July 2020, compared to the pre-pandemic quarter of January-March 2020. In comparison, employment levels for those aged 25-64 have increased by 171,000.

The number of people claiming unemployment related benefits increased by 1.5 million between March 2020 and August 2020.

9.6 million employee jobs had been furloughed through the Government's Coronavirus Job Retention Scheme (CJRS) by midnight on the 16 August.

Throughout April and May, over 8 million jobs were on furlough, with a peak of 8.86 million jobs furloughed on the 8 May. 6.8 million jobs were on furlough at the end of June, and 4.8 million were on furlough at the end of July.

By 31 July, 77% of eligible jobs in the Accommodation and food services sector, 70% of eligible jobs in the Arts, entertainment, recreation and other services sector, and 60% of eligible jobs in the Construction sector had been furloughed.

The second tranche of the Government's Self-Employment Income Support Scheme (SEISS) opened for applicants on the 17 August 2020. By midnight on the 17 August, 296,850 claims had been made.

Some workers are disproportionately economically impacted by the coronavirus outbreak. Workers who are from a BAME (Black, Asian, Minority Ethnic) background, women, young workers, low paid workers and disabled workers, have been most negatively economically impacted by the coronavirus outbreak.

For example, 15% of workers in sector which have shut down because of the coronavirus are from a BAME ethnic background, compared to 12% of all workers, 57% are women, compared to a workforce average of 48%, and nearly 50% are under 35 years old. Low paid workers are more likely to work in shut down sectors and less likely to be able to work from home.

1. September Labour Market Statistics

On the 15 September the latest labour market statistics were published by the Office for National Statistics (ONS). This section provides an overview of the data that was published.

For the first time since the pandemic, these statistics showed a rise in unemployment, while redundancies and the number of people claiming unemployment benefits also increased. However, the statistics also suggested that there was a recovery to some extent, with both the number of working hours and vacancies increasing.

1.1 Employment and unemployment

The latest published employment and unemployment statistics are for May-July 2020, and by comparing this quarter with the pre-pandemic quarter of January-March 2020, we get an indication of the impact that the pandemic has had on the labour market.¹

Between these two quarters:

- Employment levels for people aged 16+ have fallen by 165,000.
- Unemployment levels have risen by 50,000.
- The number of people who are economically inactive who are aged 16-64 has remained at a similar level.

The ONS have also published single-month estimates, which are less reliable than the quarterly estimates. However, they do help to uncover the trends that have been seen in the labour market since the start of the pandemic.²

These estimates suggest that there was a flow from employment to economic inactivity in April. In the months since April, the statistics suggest that there has been a flow back into employment from inactivity, but also into unemployment. Unemployment levels saw a particularly large rise in July.

The pandemic has not yet resulted in the expected flow from employment to unemployment, although this will be partly due to the Coronavirus Job Retention scheme (see section 2) as furloughed workers are classed as employed.

More information on labour market statistics can be found in the Library briefing, [People claiming unemployment benefits by constituency](#).

To date, the pandemic has had more of an impact on the labour market status of particular age groups.

Young People

For young people aged 16-64 there has been a shift from employment to unemployment and inactivity since the start of the pandemic.³

Between January-March 2020 and May-July 2020 there has been:

- A fall in employment levels for young people of 194,000
- An increase in unemployment of 48,000
- An increase in the number of young people who are economically inactive of 132,000.

¹ ONS, [Labour market overview, UK: September 2020](#), 15 September 2020

² ONS, [Single-month and weekly Labour Force Survey estimates: September 2020](#), 15 September 2020

³ ONS, [A06 SA: Educational status and labour market status for people aged from 16 to 24 \(seasonally adjusted\)](#), 15 September 2020

Youth unemployment in May-July 2020 is at its highest level since 2016, and the fall in employment in this quarter was the largest fall since March 2020.

More information on the labour market statistics can be found in the Library briefing [Youth unemployment statistics](#).

Older workers

For workers aged 65+ there has also been a shift from employment to inactivity.

In May-July 2020 there were 1.28 million people aged 65+ in employment in the UK, with 10.5% of people of this age in employment.

Prior to the pandemic, in January-March 2020, 1.42 million people of this age were employed, with an employment rate of 11.8%.

This means that the number of people aged 65+ who are in employment has fallen by 142,000, or 10%, between these two quarters.

Since the start of the pandemic, employment levels for those aged 16-24 and 65+ have fallen by 336,000. In comparison, employment levels for those aged 25-64 have increased by 171,000.



Unemployment forecasts

In the July Fiscal sustainability report, the OBR forecast that the unemployment rate would peak at a level between 9.7% and 13.2%, compared to a rate of 3.9% in the first quarter of 2020.⁴

The Treasury's September 2020 [survey of independent forecasts](#) for the unemployment rate showed an average forecast of 8.0% for Quarter 4 2020 and 6.5% for Quarter 4 2021.⁵

⁴ OBR, [Coronavirus analysis](#), 14 July 2020

⁵ HM Treasury, [Forecasts for the UK economy](#) publication, 16 September 2020.

1.2 Redundancies

Redundancies increased by 58,000 from the previous year and 48,000 from the previous quarter, to 156,000.⁶

These are the largest annual and quarterly increases since 2009, although the level of redundancies currently is well below levels during the 2008 downturn.

A large increase in redundancies is expected once the Job Retention scheme is stopped at the end of October.

1.3 Vacancies

There were 434,000 job vacancies in June-August 2020, 48,000 fewer than the previous quarter and 383,000 fewer than the year before. Single month estimates suggest that vacancies began to recover in July and August. The number of vacancies was at a record low in April-June 2020 (330,000 vacancies).⁷

In May-July 2020 there were 3.7 unemployed people per every job vacancy.

1.4 Working hours

The total number of weekly hours worked in the three months to July 2020 fell by almost 10% compared to the previous quarter, meaning that almost 100 million fewer hours were worked. The total number of hours worked had previously fallen to its lowest level since 1994 in April-June.⁸

The average weekly hours worked in the three months to June 2020 was 26.3 hours, which is close to the lowest level since records began in 1992. The average hours worked fell by 5.8 hours from the previous quarter.

The fall was particularly large in the accommodation and food service activities sector where average weekly hours fell from 21.2 hours to 13.5 hours.⁹

Single month estimates suggest that average actual hours began to increase again slowly from May to July.

1.5 People claiming unemployment benefits

On 15 September, the ONS published August 2020 figures for the number of people claiming unemployment related benefits (**the unadjusted claimant count**). This is a useful data source for tracking changes in the labour market, although many of those who have started to claim will not be unemployed (see box below).¹⁰

In August 2020, 2.7 million people claimed unemployment related benefits, which was an increase of 74,000 from July. Since March 2020, when the lockdown began, the claimant count has increased by 1.5 million.

⁶ ONS, [Labour Market Overview](#), 15 September 2020

⁷ ONS, [Vacancies, jobs and public sector employment in the UK: September 2020](#), 15 September 2020

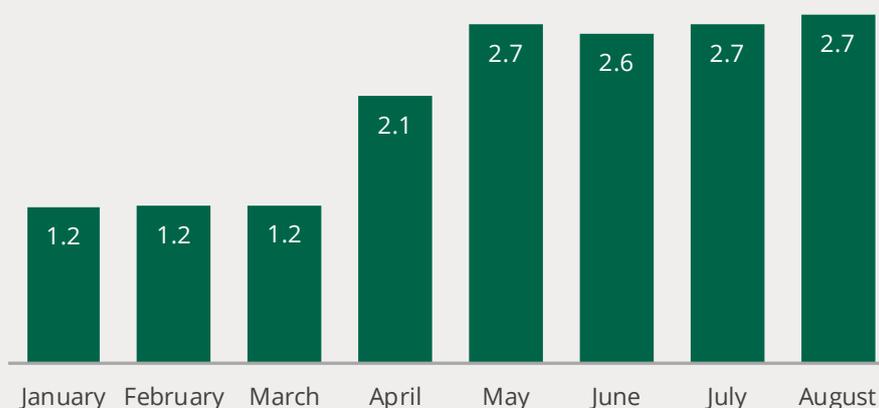
⁸ ONS, [HOUR01 SA: Actual weekly hours worked \(seasonally adjusted\)](#), 15 September 2020.

⁹ ONS, [HOUR03: Average hours worked by industry](#), 15 September 2020.

¹⁰ ONS, [CLA01: Claimant Count](#), 15 September 2020.

The claimant count has more than doubled since March

Unadjusted claimant count (Millions), 2020



Constituency level claimant count figures are published in the library briefing [People claiming unemployment benefits by constituency](#).

The unadjusted count includes those people who were claiming Jobseeker's Allowance (JSA) or were claiming Universal Credit and are required to seek work. Unlike the alternative count (see below), the unadjusted count is not adjusted to take into account the roll-out of Universal Credit. The Department for Work and Pensions [alternative claimant count](#) series adjusts for this, but figures for this series are not as up to date: they have only been published up to May 2020.

Why is the claimant count so different from the unemployment rate?

Usually, trends in the number of people claiming unemployment benefits in the UK closely follow trends in unemployment. But since the coronavirus pandemic began, we have seen sharp increases in the claimant count while the unemployment rate has hardly moved at all.

This suggests that people who do not classify themselves as unemployed may be claiming unemployment related benefits. This may be because:

- They have a job but are temporarily away from work due to the pandemic. The [ONS](#) pointed out that almost half a million people were employed but not earning in May.
- They are in employment but are also able to claim unemployment benefits. People in employment can claim unemployment related benefits if their income is below a set threshold, and the job retention scheme and a reduction in working hours means this group has grown.
- They are temporarily inactive, and so are not actively looking for work.

In their report [The truth will out](#) (July 2020) the Resolution Foundation have estimated that **only around half** of the Claimant Count rise relates to those newly out of work. The report provides detailed analysis of why these figures are different and concludes that neither are accurate representations of current unemployment levels.

2. Employment support schemes

The Government has published a [Plan for Jobs](#) document which highlights the measures that are being put in place to help replace the employment support schemes discussed below, and help get people back into employment and keep people in their jobs. The library briefing paper [Coronavirus: Getting people back into work](#) provides more information on these measures.

2.1 Self-employed Income Support Scheme (SEISS)

Tranche 1

On 13 May 2020, the first tranche of the [Self-Employment Income Support Scheme](#) (SEISS) opened to applications, and closed on 13 July. By midnight on 19 July 2020, 2.7 million claims had been made under the scheme.¹¹

Self-Employment Income Support Scheme (SEISS)

Tranche 1 of the scheme opened on the 13 May 2020

By midnight on 19 July

Total number of claims	2.7 million
Total amount claimed (£)	£7.8 billion

The **SEISS** will pay cash grants worth 80% of total profits, up to £2,500 per month over a three-month period starting from March 2020.

Source Gov.uk, [HMRC coronavirus \(COVID-19\) statistics](#)

Tranche 2

The second tranche of the SEISS opened for applicants on the 17 August 2020. By midnight on the 17 August, **296,850** claims had been made.

Self-Employment Income Support Scheme (SEISS)

Tranche 2 of the scheme opened on the 17 August 2020

By midnight on 17 August

Total number of claims	296,850
Total amount claimed (£)	£768.9 million

Source Gov.uk, [HMRC coronavirus \(COVID-19\) statistics](#)

60% of the eligible population for this scheme made a claim, with 62% of men making a claim compared to 54% of women. In total, 71% of claims were made by men.

More information on the SEISS can be found in the Library briefing, [Coronavirus: Self-Employment Income Support Scheme](#).

¹¹ Gov.uk, [HMRC coronavirus \(COVID-19\) statistics](#), 15 July 2020, new data is posted weekly with up-to-date statistics.

2.2 Coronavirus Job Retention Scheme (CJRS)

Coronavirus Job Retention Scheme: National statistics

By midnight on 16 August, 9.6 million jobs had been furloughed through the Government's job retention scheme.¹²

Coronavirus Job Retention Scheme (CJRS)

The scheme opened on the 20 April 2020

By midnight on 16 August 2020

Number of jobs furloughed	9.6 million
Number of employers furloughing	1.2 million
Total claimed (£)	£35.4 billion

Notes

employees furloughed by any PAYE scheme across all claims by that claims from distinct PAYE schemes on employer reference (where the

On 12 May, the [Chancellor announced](#) the CJRS would be extended until the end of October.

Source Gov.uk, [HMRC coronavirus \(COVID-19\) statistics](#)

More information on the Job Retention Scheme can be found in the Library briefing, [FAQs: Coronavirus Job Retention Scheme](#).

Statistics for the job retention scheme are published every month by HMRC. These statistics show the following:

- The number of jobs that have been furloughed from the start of the scheme up to the end of July.
- The number of jobs that were furloughed as at 31 July.
- The number of jobs that were furloughed on each day between the start of the scheme and the end of July.

2.3 Furloughed workers by day

The chart below shows the total number of jobs that were on furlough on each day since the scheme was launched.

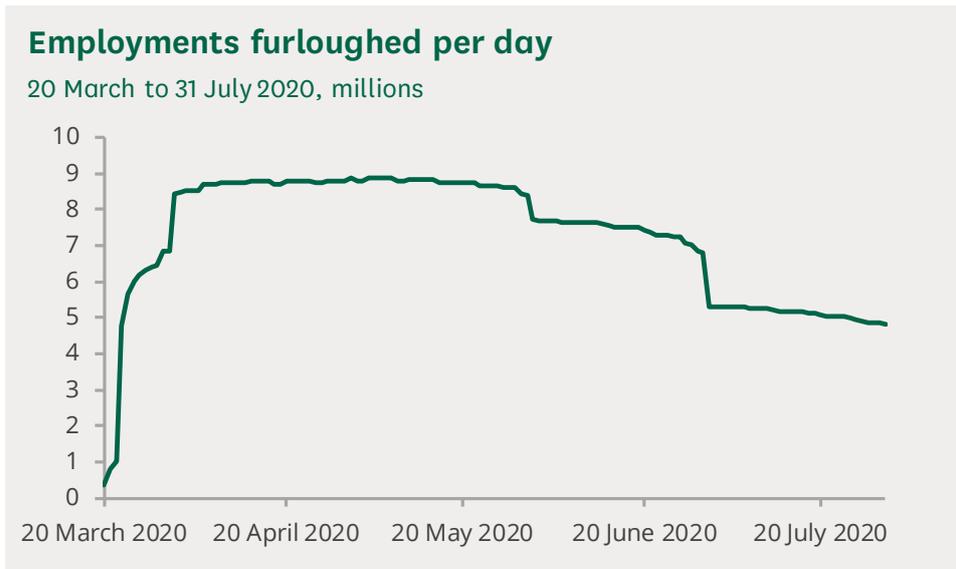
Throughout April and May, over 8 million jobs were on furlough, with a peak of 8.86 million jobs on furlough on the 8 May.

The number of jobs on furlough fell by 9% at the end of May to less than 8 million. This may have reflected the gradual loosening of the lockdown restrictions during May, and sectors opening up in June. The scheme was originally going to end at the end of May.

Throughout June and July there has been a steady decline in the number of furloughed jobs, with another drop at the end of June. This is likely to have been partly the result of sectors continuing to open up, and changes to the scheme that meant that employers were only able to furlough an employee they had already successfully claimed a grant for.

6.8 million jobs were on furlough at the end of June, and 4.8 million were on furlough at the end of July.

¹² Gov.uk, [HMRC coronavirus \(COVID-19\) statistics](#), 21 August 2020, This data was initially provided on a daily basis, but is now provided weekly since a fall in the number of daily claims



Source: HMRC, [Coronavirus Job Retention Scheme statistics- data tables: September](#), 18 September 2020

2.4 Furloughed workers by age and gender

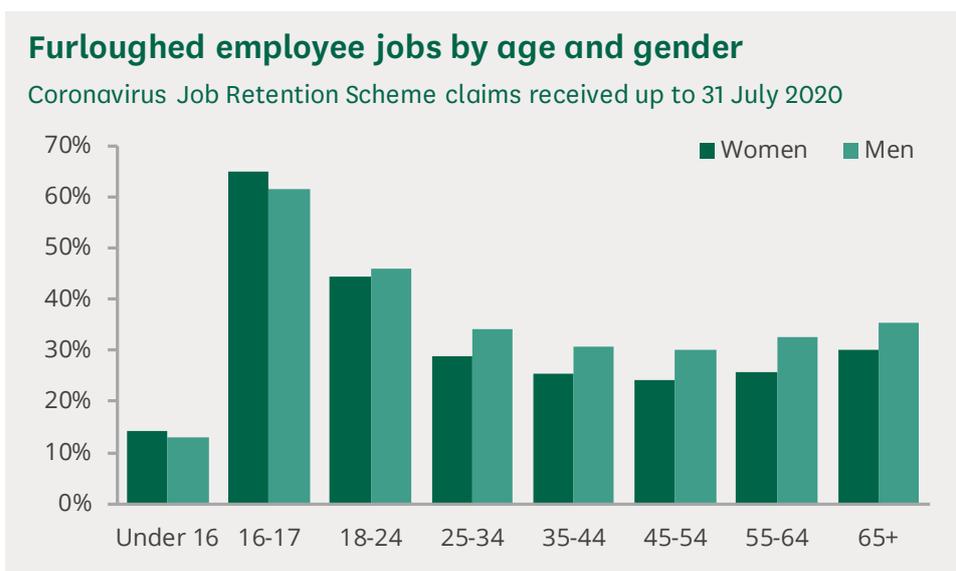
Jobs held by men are slightly more likely to have been furloughed than those held by women. Between the start of the scheme and the end of July, 34% of jobs held by men had been furloughed, compared to 29% of jobs held by women.

Eligible jobs held by young people are far more likely to have been furloughed.

16-17 year olds experienced the highest proportion of furloughed jobs, with 65% of eligible jobs held by women and 61% of eligible jobs held by men in that age group furloughed between the start of the scheme and the end of July.

This was followed by 18-24 year olds, where 45% of eligible jobs held by women and 46% of eligible jobs held by men were furloughed.

Jobs held by men were slightly more likely to be furloughed than jobs held by women across every age group, with the exception of those aged under 18.



Source: HMRC, [Coronavirus Job Retention Scheme statistics- data tables: August 2020](#), 21 August 2020

A similar proportion of men and women had their jobs on furlough at the end of July. 15% of jobs held by women were on furlough, as were 14% of jobs held by women.

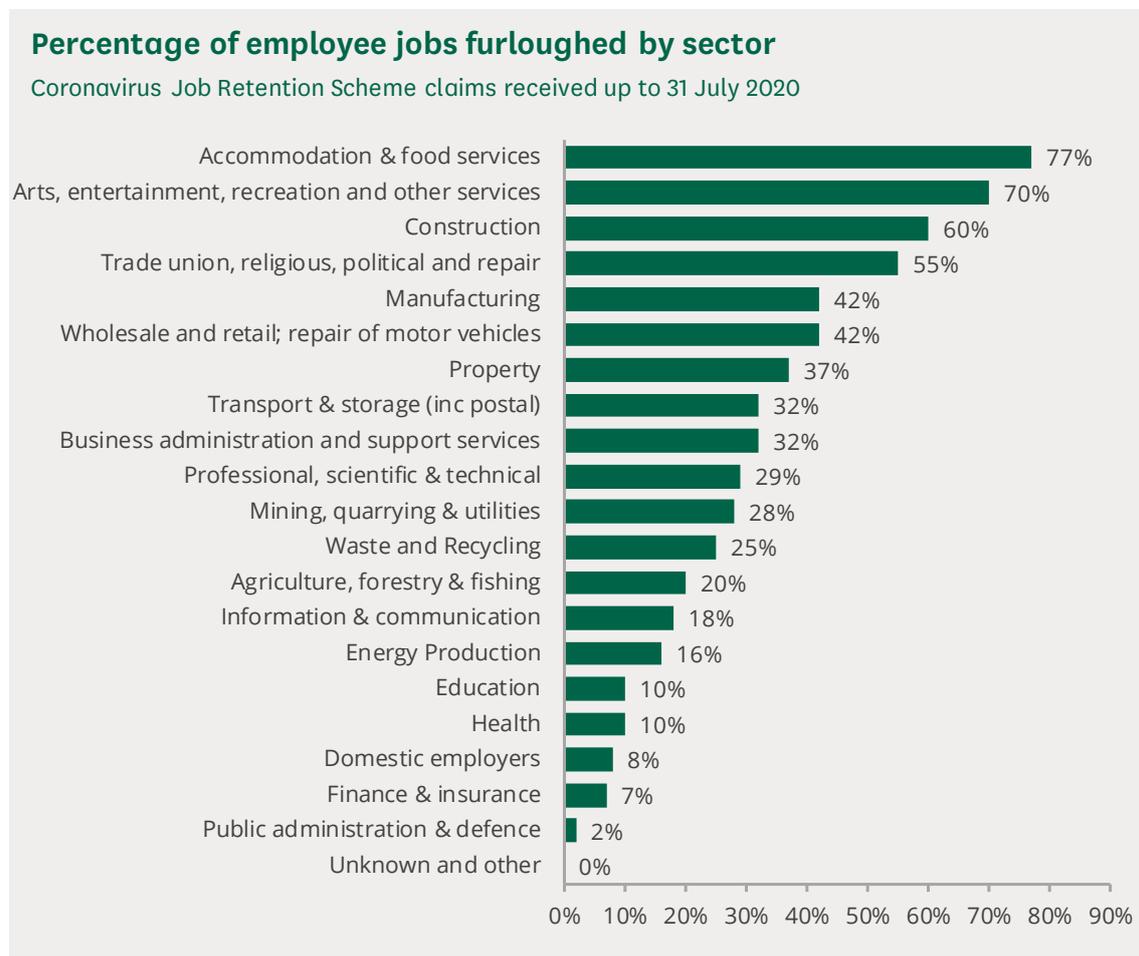
2.5 CJRS - Furloughed workers by sector

Some sectors have been disproportionately affected by the coronavirus pandemic, and this is reflected in the proportion of eligible jobs furloughed in each sector.

Up to 31 July 2020, the sector that has had the highest proportion of employees furloughed since the start of the job retention scheme is the Accommodation and food services sector, where 77% (approximately 1.7 million) of eligible employee jobs have been furloughed.

70% (474,300) of eligible jobs in the Arts, entertainment, recreation and other services sector, and 60% (769,300) of eligible jobs in the Construction sector were also furloughed at some point up to the end of July.¹³

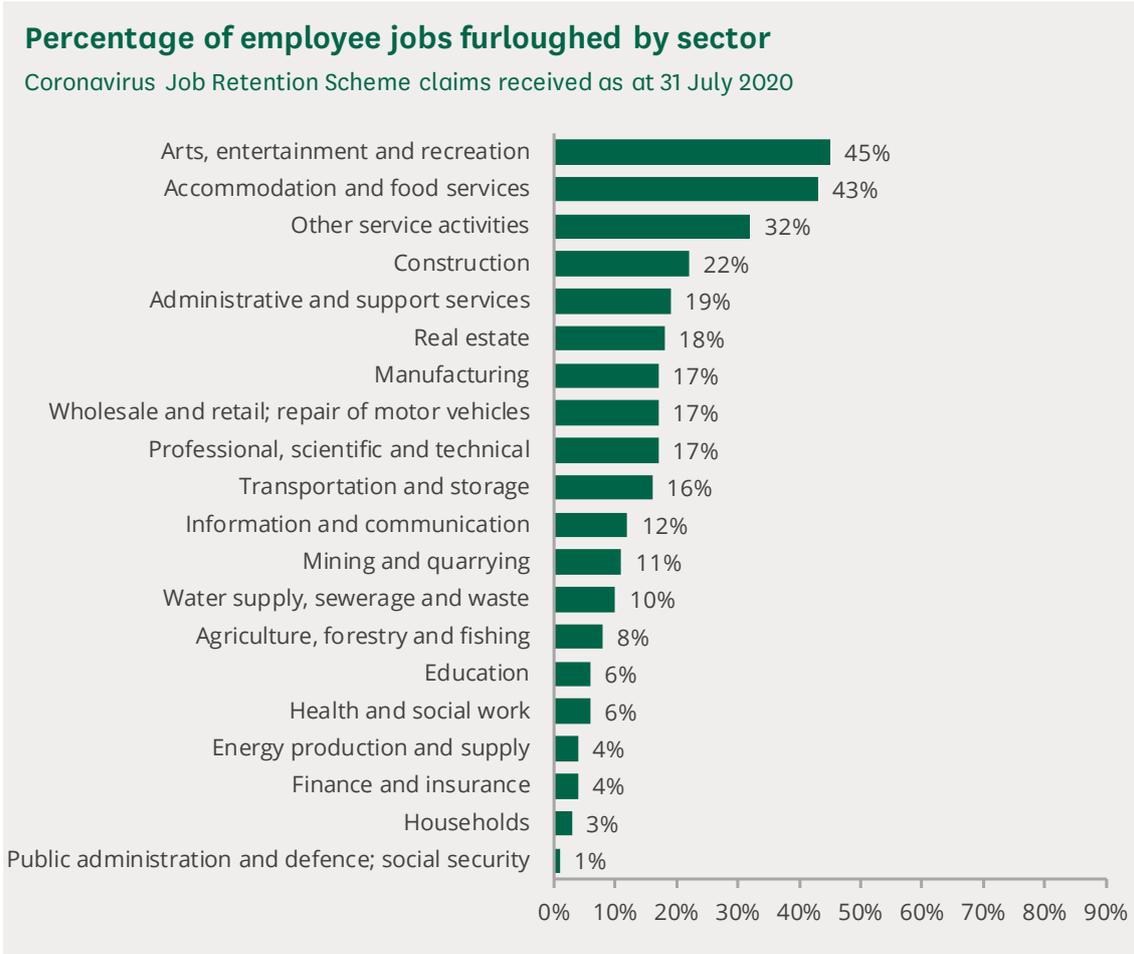
Note that the sector is unknown for over 100,000 furloughed employee jobs.



Source: HMRC, [Coronavirus Job Retention Scheme statistics- data tables: August 2020](#), 21 August 2020

As of the 31 July 2020 almost half of all the jobs in the Arts, entertainment and recreation and the Accommodation and food services sectors were on furlough, along with a third of jobs in the Other service activities sector. Less than a quarter of jobs in other sectors were on furlough on this date.

¹³ HMRC, [Coronavirus Job Retention Scheme statistics- data tables: August 2020](#), 21 August 2020.



Source: HMRC, Coronavirus Job Retention Scheme statistics: September 2020, 18 September 2020

The sector that had the highest number of jobs on furlough was the Wholesale and retail; repair of motor vehicles sector. 1.85 million jobs were furloughed in this sector in the middle of April, and 790,000 jobs remained on furlough at the beginning of July.

The sector with the highest number of jobs that were on furlough at the end of July was the Accommodation and food services sector with almost a million jobs still on furlough. 1.6 million jobs were on furlough in this sector in April.

The Library provided information on the number of jobs within each sector in the [Coronavirus: The importance of different sectors to the economy](#) Insight.¹⁴

2.6 Furloughed workers by area

By Country and Region

The number and proportion of eligible jobs that have been furloughed varies slightly between the different countries and regions of the UK.

The region where the highest number of jobs have been furloughed was in London where almost 1.4 million jobs were furloughed up to the end of July. The West Midlands has seen the highest proportion of eligible jobs furloughed, at 34%.

The East and South East saw the lowest proportion of eligible employee jobs furloughed at 30%.

¹⁴ House of Commons Library, [Coronavirus: The importance of different sectors to the economy](#), 1 April 2020.

As of the 31 July, London had the highest proportion of jobs on furlough at 17%.

The table below shows the number of jobs furloughed since the start of the job retention scheme as a percentage of eligible employee jobs, as well as the figures as at 31 July 2020.

Note that for over 100,000 furloughed jobs the region was unknown.

Furloughed employee jobs by country and region				
Coronavirus Job Retention Scheme claims received up to 31 July 2020				
	Furloughed up to 31 July (thousands)	% eligible jobs furloughed	Furloughed as at 31 July (thousands)	% eligible jobs furloughed
England	8,068	32%	3,667	14%
North East	351	31%	143	13%
North West	1,036	32%	454	14%
Yorkshire & The Humber	750	31%	316	13%
East Midlands	697	32%	292	13%
West Midlands	866	34%	384	15%
East	880	30%	395	14%
London	1,386	32%	720	17%
South East	1,295	30%	607	14%
South West	809	32%	358	14%
Wales	401	31%	196	15%
Scotland	780	32%	367	15%
Northern Ireland	250	32%	103	13%
Unknown	104		483	

By sector

The proportion of furloughed jobs by sector also varied between country and region. The table below shows the proportion of jobs that were furloughed in the most affected sectors: Accommodation and food services, Arts, entertainment, recreation and other services, and Construction.

Across all regions, at least three quarters of jobs in the Accommodation and food services sector have been furloughed. Northern Ireland had the highest proportion of eligible jobs furloughed in this sector at 81%.

Jobs were particularly likely to have been furloughed in the Arts, entertainment, recreation and other services sector in Wales (77%) and the North East (76%).

In most regions and countries, around 60% of jobs in the Construction sector were furloughed. Jobs were more likely to have been furloughed in this sector in Scotland (73%) and Northern Ireland (71%).

Furloughed employee jobs in most affected sectors by country and region

Coronavirus Job Retention Scheme claims received up to 30 June 2020

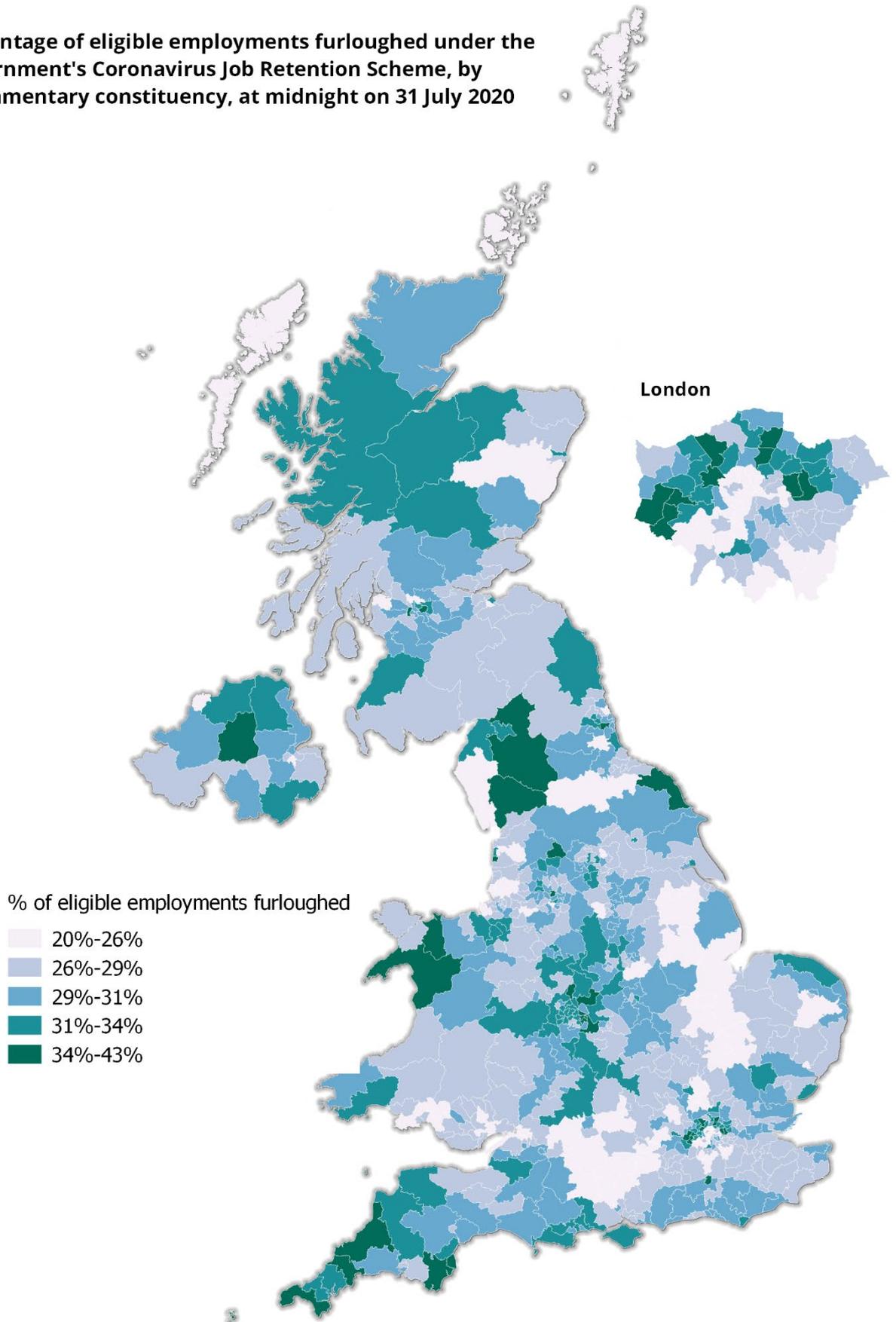
	Accommodation & food services	Arts, entertainment, recreation and other services	Construction
England	77%	70%	58%
North East	80%	76%	62%
North West	79%	65%	59%
Yorkshire & The Humber	79%	70%	59%
East Midlands	78%	71%	58%
West Midlands	78%	68%	57%
East	76%	69%	58%
London	75%	69%	57%
South East	77%	72%	55%
South West	78%	72%	63%
Wales	78%	77%	62%
Scotland	77%	72%	73%
Northern Ireland	81%	70%	71%

Source: HMRC, [Coronavirus Job Retention Scheme statistics- data tables: August 2020](#), 21 August 2020

By constituency

The map overleaf shows the variation between constituencies of the percentage of working age residents in each constituency that had been furloughed by 31 July 2020. Note that for over 100,000 furloughed the constituency was unknown.

Percentage of eligible employments furloughed under the Government's Coronavirus Job Retention Scheme, by parliamentary constituency, at midnight on 31 July 2020 (%)



3. Most affected workers

Analysis produced to date suggests that workers who are from a BAME (Black, Asian, and Minority Ethnic) background, women, young workers, low paid workers and disabled workers, have been most negatively impacted economically by the coronavirus outbreak. For more information on workers disproportionately affected by coronavirus, please see the Library insight, [Coronavirus: Which workers are economically impacted?](#)

3.1 Workers from minority ethnic groups

The sectors most affected by the coronavirus pandemic, or ‘shut down sectors’ have a higher than average proportion of workers from a minority ethnic group.¹⁵ 15% of workers in the shut-down sectors the IFS outlines are from a minority ethnic group, compared to 12% of all workers.

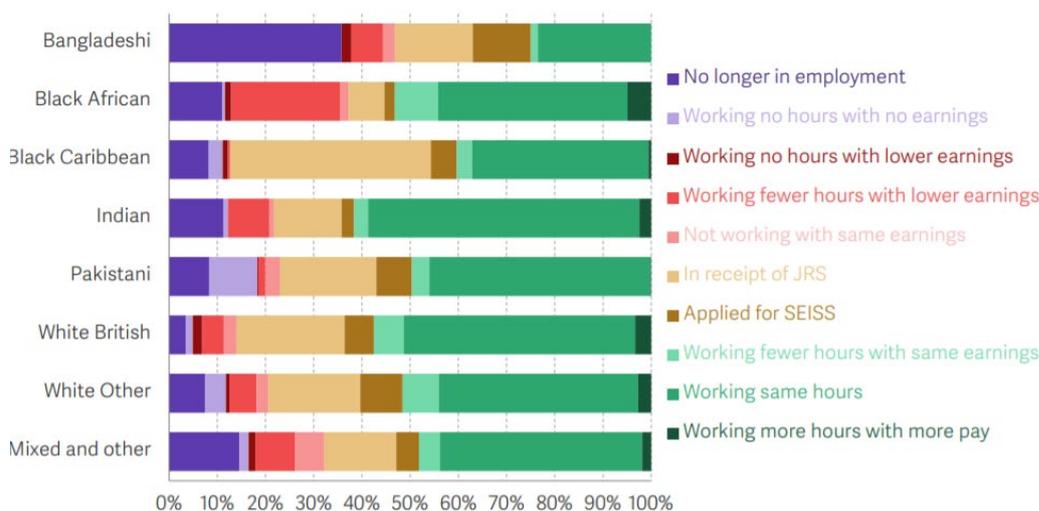
Some shut down sectors have an especially high proportion of workers from a minority ethnic group. Workers from a minority ethnic group make up 28% of the vulnerable jobs in the transport sector and 16% of the vulnerable jobs in the accommodation and food service sector.¹⁶

The Resolution Foundation finds that as of May 2020, Bangladeshi adults in work before the crisis were much more likely to have left employment altogether, while Black African adults were most likely to be working fewer hours and earnings less in May 2020, and least likely to have been furloughed.¹⁷

Note that these figures come from a small sample and should be treated as estimates.

FIGURE 16: Bangladeshis are disproportionately more likely to have stopped working or experienced an income fall during the crisis

Employment status among those who were in work before the crisis, by ethnicity: May 2020



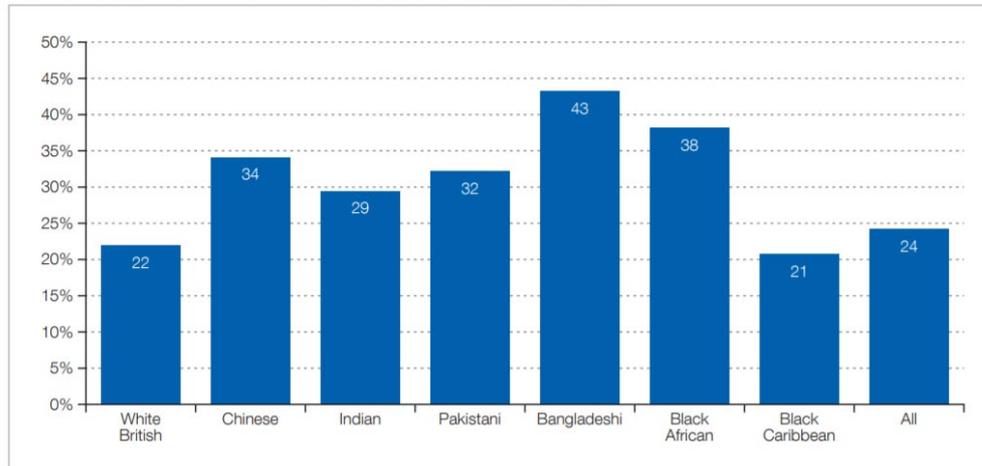
NOTES: Categories defined exclusively, Receipt of JRS/SEISS takes priority. Based on separate questions on employment status, earnings, and hours worked in previous week and before the crisis. Sample base size greater than 50 for all ethnicity categories. SOURCE: ISER, Understanding Society coronavirus survey.

¹⁵ Reliable data for more specific ethnic groups is not available because of small survey samples.
¹⁶ Library analysis of the [Labour Force Survey, 2019 Q4](#), using IFS definition of vulnerable sectors.
¹⁷ Resolution Foundation, [The Living Standards Audit 2020](#), July 2020

A survey by the Runnymede Trust found that only 35% of people from an ethnic minority said they had not been affected financially by the coronavirus pandemic, compared to 54% of people from a White ethnic group.

They find that 43% of people from a Bangladeshi ethnic group and 38% of a Black African group the loss of some income, as shown in the chart below.¹⁸

Figure 8: Loss of income since coronavirus outbreak by ethnicity (%)



A BMG poll for the Independent estimates that on 7-9 April approximately 46% of people from a BAME ethnic group reported their household income had reduced as a result of coronavirus, compared to around 28% of people from a White British Ethnic group. Around 15% of respondents from a BAME ethnic group reported losing their jobs, compared to an estimated 8% of people from a White British ethnic group.¹⁹

3.2 Women

57% of shut down sectors are women, compared to a workforce average of 48%.²⁰

Women were about one third more likely to work in a sector that is now shut down than men: one in six (17%) female employees were in such sectors, compared to one in seven (13%) male employees.²¹

According to the IFS, mothers are 1.5 times more likely than fathers to have lost their job or quit since the start of the lockdown and are also more likely to have been furloughed. Mothers who were in paid work in February are 9 percentage points less likely to be currently working for pay than fathers.²²

The Women’s Budget group found that women are more likely to be in the categories above – women make up 69% of low earners, 54% of temporary employees, 54% of workers on zero-hours contracts, and 59% of part-time self-employment.²³

¹⁸ Runnymede Trust, [Over-Exposed and Under-Protected, The Devastating Impact of COVID-19 on Black and Minority Ethnic Communities in Great Britain](#), August 2020

¹⁹ Independent, [Coronavirus economic effects hitting ethnic minorities and young people hardest](#), 14 April 2020.

²⁰ Library analysis of the [Labour Force Survey, 2019 Q4](#), using IFS definition of vulnerable sectors.

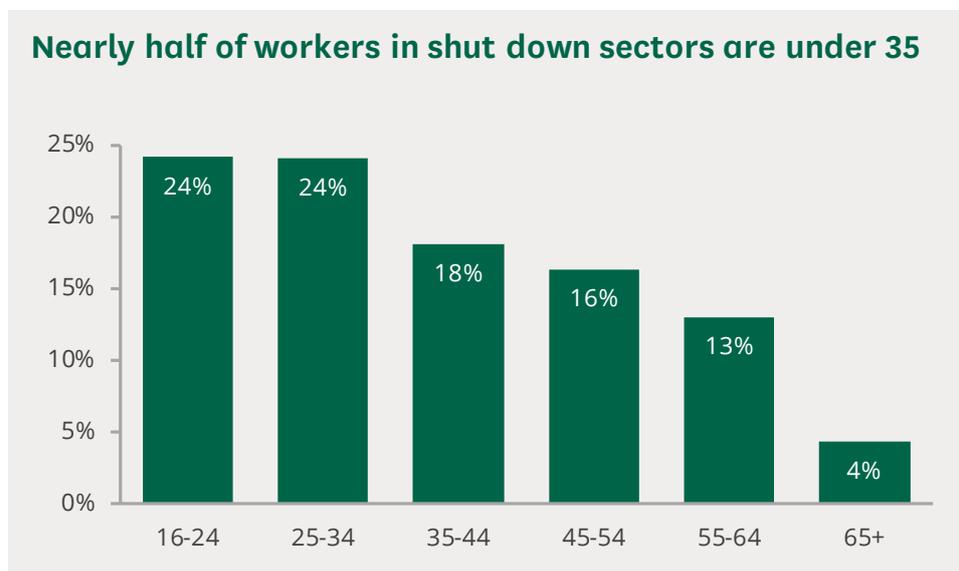
²¹ Institute for Fiscal Studies, [Sector shutdowns during the coronavirus crisis: which workers are most exposed?](#), 6 April 2020.

²² Institute for Fiscal Studies, [How are mothers and fathers balancing work and family under lockdown?](#), 27 May 2020.

²³ Women’s Budget Group, [Crises Collide, Women and Covid-](#), 9 April 2020.

3.3 Young workers

Library analysis of the Labour Force Survey shows that of the workers in the shut-down sectors outlined by the IFS, nearly half are under 35.



Source: [Labour Force Survey](#), Q1 2020

According to the IFS, employees aged under 25 were about two and a half times as likely to work in a sector that is now shut down as other employees.²⁴

A report from the Resolution Foundation finds that a fifth of all employees on the JRS are under the age of 25, but under 25 year olds received an average of less than £1,00 per month, compared to a £1,400 average. This is because young workers were disproportionately likely to be working in low paid jobs in shut-down sectors pre-Covid.²⁵

According to another report by the Resolution Foundation, one-third of 18-24-year-old employees (excluding students) have lost jobs or been furloughed, compared to one-in-six prime-age adults. 35% of non-full-time student 18-24-year-old employees are earning less than they did prior to the outbreak, compared to 23% of 25-49-year-olds.²⁶

The IFS find that those under 25 are more exposed to jobs that cannot be worked from home, these difference across age groups are larger for those with GCSE qualifications or less.²⁷

The IFS find that coronavirus is also likely to disrupt career progression for those early in their career. Early career wage growth is driven by workers moving into higher-paying occupations and because of reductions in vacancy postings and increases in layoffs, this has become much more difficult.²⁸

²⁴ Institute for Fiscal Studies, [Sector shutdowns during the coronavirus crisis: which workers are most exposed?](#), 6 April 2020.

²⁵ Resolution Foundation, [All together now? The impacts of the Government's coronavirus income support schemes across the age distribution](#), 9 September 2020.

²⁶ Resolution Foundation, [Young workers in the coronavirus crisis](#), 18 May 2020.

²⁷ Institute for Fiscal Studies, [Covid-19: the impacts of the pandemic on inequality](#), 11 June 2020.

²⁸ Institute for Fiscal Studies, [COVID-19 and the career prospects of young people](#), 03 July 2020.

3.4 Low paid workers

Median weekly wages in the most vulnerable sectors are among the lowest in the economy.²⁹ The Resolution Foundation estimates that the median weekly pay for a worker in a shut-down sector is £348, compared to £707 a week for workers they calculate can work from home.³⁰ The IFS found that one third of employees in the bottom 10% of earners work in shut down sectors, compared to 5% in the top 10%.³¹

The IFS estimate that excluding key workers, 80% of people in the bottom tenth of the earnings distribution are wither in a shut-down sector or are unlikely to be able to do their job from home, compared to 25% of the highest earning tenth.³²

A PwC Research survey on 16-19 April found that 70% of those earning more than £50,000 a year continued to work their usual hours, compared to 40% of those earning less than £20,000.³³

ONS figures show that less than 10% of the bottom half of earners say they can work from home.³⁴

3.5 Disabled workers

Before the coronavirus outbreak, disabled people had an employment rate 28.6 percentage points lower than that of people without disabilities. This difference is often referred to as the disability employment gap.³⁵

15% of workers in shut down sectors are disabled (as defined by the Equality Act 2010), about the same as the total workforce average of 14%. Disabled workers make up 17% of vulnerable jobs in the retail sector.³⁶

Disability groups have raised concerns about the impact the outbreak will have on disabled people in work. In a submission to the Work and Pensions Committee for the [DWP's response to the coronavirus outbreak inquiry](#), Disabled People Against Cuts noted that disabled workers have reported difficulties getting access to workplace adjustments and equipment to enable them to work from home. This places disabled workers at a considerable disadvantage.³⁷

²⁹ ONS, [Annual Survey of Hours and Earnings](#), 2019.

³⁰ Resolution Foundation, [Risky business. Economic impacts of the coronavirus crisis on different groups of workers](#), 28 April 2020.

³¹ Institute for Fiscal Studies, [Sector shutdowns during the coronavirus crisis: which workers are most exposed?](#), 6 April 2020.

³² Institute for Fiscal Studies, [Covid-19: the impacts of the pandemic on inequality](#), 11 Jun 2020.

³³ PwC, [Covid-19, UK Economic Update](#), 20 May 2020.

³⁴ Resolution Foundation, [The economic effects of coronavirus in the UK](#), 10 April 2020.

³⁵ ONS, Labour market bulletin, July-September 2019. See also Library paper [People with disabilities in employment](#), January 2020.

³⁶ Library analysis of the [Labour Force Survey, 2019 Q4](#), using IFS definition of vulnerable sectors.

³⁷ [Disabled people Against Cuts' \(DPAG\) submission](#) to Work and Pensions Committee inquiry into the DWP's response to the coronavirus outbreak, 23 April 2020.

4. Further Reading

4.1 House of Commons Library

[Coronavirus](#)

This page provides links to reports from the Commons Library, the Parliamentary Office of Science and Technology (POST) and the Lords Library.

[People claiming unemployment benefits by constituency](#)

[Which ethnic groups are most affected by income inequality?](#)

[Coronavirus: Employment Support](#)

[Youth unemployment statistics](#)

[Coronavirus: Which workers are economically impacted?](#)

[FAQs: Coronavirus Job Retention Scheme.](#)

[Coronavirus: Support for businesses](#)

[Coronavirus: Employment rights and sick pay \(update\)](#)

[Coronavirus: Support for household finances](#)

[Coronavirus: Latest economic data](#)

[Coronavirus: Effect on the economy and public finances](#)

[The UK economy: a dashboard](#)

[Coronavirus: The importance of different sectors to the economy](#)

4.2 Other sources

[Coronavirus \(COVID-19\) roundup](#)

This page is a summary of insights from the most recent ONS analysis and will be updated as new publications are released | ONS

[Coronavirus and the social impacts on Great Britain](#)

17 July 2020 | ONS

[Coronavirus and the latest indicators for the UK economy and society](#)

16 July 2020 | ONS

[The truth will out: Understanding labour market statistics during the coronavirus crisis](#)

16 July 2020 | *Resolution Foundation*

[The Full Monty: Facing up to the challenge of the coronavirus labour market crisis](#)

29 June 2020 | Nye Cominetti, Laura Gardiner, Hannah Slaughter, *Resolution Foundation*

[Over-Exposed and Under-Protected, The Devastating Impact of COVID-19 on Black and Minority Ethnic Communities in Great Britain,](#)

August 2020 | Zubaida Haque et al. *Runnymede Trust*

[COVID-19 and the career prospects of young people](#)

3 July 2020 | Monica Costa Dias et al. *Institute for Fiscal Studies*

Dataset: [Business Impact of COVID-19 Survey \(BICS\)](#)

15 July 2020 | ONS

[How are mothers and fathers balancing work and family under lockdown?](#)

27 May 2020 | Alison Andrew et al, *Institute for Fiscal Studies*

[Extending the Coronavirus Job Retention Scheme to short-time workers](#)

26 May 2020 | Stuart Adam, *Institute for Fiscal Studies*

[Coronavirus Business Impact Tracker](#)

20 May 2020 | British Chamber of Commerce

[Young workers in the coronavirus crisis](#)

18 May 2020 | Maja Gustafsson, *Resolution Foundation*

[The economic effects of coronavirus in the UK](#)

14 May 2020 | Jack Leslie and Charlie McCurdy, *Resolution Foundation*

[Understanding the impact of coronavirus on the workforce](#)

11 May 2020 | ONS

[Risky business, Economic impacts of the coronavirus crisis on different groups of workers](#)

28 April 2020 | Maja Gustafsson and Charlie McCurdy, *Resolution Foundation*

[Measuring the labour market during Coronavirus](#)

20 April 2020 | ONS

[Launching an economic lifeboat](#)

20 April 2020 | Daniel Tomlinson, *Resolution Foundation*

[Coronavirus and self-employment in the UK](#)

17 April 2020 | ONS

[Inequality in the Impact of the Coronavirus Shock: Evidence from Real Time Surveys](#)

17 April | A. Adams-Prassl, T. Boneva, M. Golin and C. Rauh

[Crises Collide, Women and Covid-19,](#)

9 April 2020 | Women's Budget Group

[Sector shutdowns during the coronavirus crisis: which workers are most exposed?](#)

6 April 2020 | Institute for Fiscal Studies

[Inequality in the impact of the coronavirus shock: New survey evidence for the UK](#)

1 April 2020 | A. Adams-Prassl, T. Boneva, M. Golin and C. Rauh

[Ensuring the best possible information during COVID-19 through safe data collection](#)

27 March 2020 | ONS

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