

Summary of COVID Related Publications - Issue 5, August 3rd 2020

This, Issue 5 of the CCP fortnightly summary, refers to a range of papers. Whilst the majority could be classed as updates of articles that have been discussed in previous versions of this summary report, there are others that take a slightly different look at the crisis.

For example, the first paper looked at in this issue concerns career progression and looks at how the situation for those born in the 1980s and 1990s differs from those born in previous decades. Other papers examined look at: housing issues, which clearly link into household income; consider the latest data on Best Start Grant and Best Start Food; discuss the parliamentary findings on child mental health provision in Scotland which links into wellbeing of households emerging from lockdown; and examines how new firm creation has fallen and the impact this will have on sectors and regions.

One article looks at the decision that has been made to delay the 2021 census in Scotland, which will now take place in 2022. The census is not only the key data set for much public policy it is also used to ensure surveys and estimates are still reliable. Not only will this be the first delay in 200 years, it will, at time of writing, mean there won't be a UK demographic picture for 2021 as the other UK nations still plan to conduct a census next year.

A couple of papers look at the welfare state and social security. In his paper, Professor John Curtice, looks at how attitudes to social security for those of working age can differ depending on the conditions in the labour market at the time. This links to an article from the Carnegie Trust who examine the concept of the enabling state. Both of these relate to rethinking how best to support people in poverty.

July 2020

What has been happening to career progression? Richard Blundell, Monica Costa Dias, Robert Joyce and Agnes Norris Keiller, IFS, 31/7/2020

<https://www.ifs.org.uk/uploads/BN301-What-has-been-happening-to-career-progression-1.pdf>

As career progression has become of specific interest through the crisis, this IFS study looks at what data is available for accurately examining career progression. They provide some key findings which are reproduced below;

- Men born in each decade since the 1950s, and women born since 1985, started their careers in occupations further down the wage ladder than earlier cohorts. For example, when compared

with those born in the 1970s, men born in the late 1980s were at least twice as likely to have been bar staff, kitchen and catering assistants, or call centre workers in their first full-time job; and women were about twice as likely to have been waitresses or care workers.

- The deterioration in the ‘first occupation’ for young women born in the late 1980s marks a sharp reversal of the trend seen over previous decades. Their starting position on the occupational ladder looked more similar to that of women born in the 1960s than to women born in the early 1980s.
- All of this means that young workers are increasingly reliant on occupational progression in the early years of their careers if they are to attain high wages. This is because they are trying to catch up from a lower starting point on the career ladder, and because the wage growth they can expect in the absence of occupational progression has been so weak in recent years.
- Rates of progression up the occupational ladder (ranking occupations by their average wage) in the early years of people’s careers have tended to increase across successive generations, for both men and women – but this trend came to an end for men born in the 1980s. This means that the most recent cohorts of men have both started lower down the occupational ladder than their predecessors *and* climbed it more slowly.
- One of the greatest economic risks facing young people as a result of the COVID-19 pandemic is that economic uncertainty and reduced hiring will make it much harder for them to climb the career ladder when in work. If this happens, possibly alongside a substantial increase in youth unemployment, then the cumulative impact on their economic position in years to come could be very large.

Latest data on the Scottish economy, Fraser of Allender Institute, 31/7/2020

https://fraserofallender.org/covid/latest-data-on-the-scottish-economy-update-31st-july-2020/?utm_source=rss&utm_medium=rss&utm_campaign=latest-data-on-the-scottish-economy-update-31st-july-2020&utm_source=Fraser+Blog+and+subs+list&utm_campaign=5768733fb5-Email-Blog-RSS&utm_medium=email&utm_term=0_c855ea57f7-5768733fb5-86525662

This article states that whilst there have been improvements from the severe lows at the height of the lockdown, economic indicators on the whole remain subdued and many households are continuing to see financial hardship. They report that in the first two weeks of July, the proportion of businesses surveyed by the ONS who operate in Scotland who were temporarily closed, has fallen. The change in the latest two-week period is the largest fall since the start of lockdown, with just over 7% still reporting they are closed. Whilst this is positive the share of Scottish businesses reporting reduced turnover was 61.2% during the first half of July (highest share out of all UK nations).

Online searches for hotels, restaurants and bars returned to pre-Covid levels in the second half of July. Interest in cars has also returned to pre-Covid levels. However, interest in holidays remains around 35% lower than the levels seen last year. In terms of the housing and property market the number of property transactions has fallen significantly since the start of the pandemic and has yet to recover to pre-crisis levels.

There is considerable discussion generally around the likely rise in unemployment as the government’s furlough and self-employment income support schemes draw to a conclusion. The FAI report has a graph which clearly indicates that online searches for redundancy have remained much higher than normal. Another indicator of lack of confidence is that at the end of June, around a third of all surveyed Scottish households were fairly or very concerned about their income. Around a fifth

of households had concerns about paying utility bills and council tax whilst 18% of all households were concerned about paying for food and essentials.

Major survey indicates improving Scottish business sentiment, but outlook remains challenging, Fraser of Allender Institute, 30/7/2020

https://fraserofallender.org/fai-publications/major-survey-indicates-improving-scottish-business-sentiment-but-outlook-remains-challenging/?utm_source=rss&utm_medium=rss&utm_campaign=major-survey-indicates-improving-scottish-business-sentiment-but-outlook-remains-challenging&utm_source=Fraser+Blog+and+subs+list&utm_campaign=831156423b-Email-Blog-RSS&utm_medium=email&utm_term=0_c855ea57f7-831156423b-86525662

The Addleshaw Goddard Scottish Business Monitor, produced in partnership with the Fraser of Allender Institute, collates responses from over 500 Scottish-based businesses. The survey took place between 30th June and 14th July and overall findings were as follows;

- When compared to normal levels for the next six months, the average firm expects to operate at 51-75% capacity. The picture is mixed as one in every four firms expects to operate at normal or above-normal capacity.
- Business activity is expected to rise from a record low, with a net balance of 70% of firms reporting a decrease in the first quarter of 2020 to 4% as we look ahead to the next six months.
- Looking at employment and capital investment, whilst expectation indicators remain negative there has been some recovery. Expectations for employment over the next six months have increased from -57% to -21%, with capital investment recording an increase from -68% to -21%.
- Turning to the Job Retention Scheme, which will be phased out over the coming months, the majority of firms say they plan to make redundancies once the furlough support comes to an end. Of those who used the scheme, 12% expect a large decrease in employees and 43% a small decrease. More positively, 41% say they expect no change.
- 61% of businesses said that their cash flow position was secure or very secure for the next six months – leaving a significant proportion of firms at risk.
- Many businesses have significantly increased their debt to get through the lockdown period, with 47% of firms saying their burden has increased as a result of the pandemic. Of those who have witnessed an increase, 41% have seen this burden increase by a large amount, 46% by a moderate amount and 13% by a small amount.

Covid-19 housing impacts and issues in Scotland, Connor Smith, LGIU, 30/7/2020

<https://lgiu.org/briefing/swift-read-covid-19-housing-impacts-and-issues-in-scotland/>

This paper looks at the latest developments with housing and Covid-19 in Scotland including the advice and financial support available for tenants, landlords, homeowners and housebuilders, as well as details on sales, rental and moving home during the pandemic.

Makes the point that low-income households, particularly those in rented accommodation, are amongst the worst hit financially by the Covid-19 pandemic. As things stand, the Discretionary Housing Payment is the only direct measure designed to tide tenants over until their situation improves. Unfortunately, only tenants who are already recipients of welfare benefits are eligible to apply for government support and this may leave many struggling. With regards to private sector tenants, local councils are in a tricky situation as they have little leverage to ensure that landlords heed the advice of Scottish Government and temporarily pause legal evictions. Nevertheless, councils are leading by example and demonstrate leadership by offering their own tenants flexibility (along with information regarding sources of financial support) and that could potentially encourage private sector landlords to behave more responsibly and follow this lead.

What are the fiscal consequences of the UK response to coronavirus? Dawn Holland, Jagjit Chadha, Michael McMahon and Andrew J. Scott, Economics Observatory, 28/7/2020

<https://www.coronavirusandtheeconomy.com/question/what-are-fiscal-consequences-uk-policy-response-coronavirus>

Over the course of the pandemic there have been a number of publications that have looked at the economic and fiscal costs to the UK of the virus and the measures put in place to reduce the health impact. Early estimates suggest that the UK economy contracted by 25% in the first months after the introduction of lockdown measures and this paper examines the fiscal consequences of the crisis, the fluctuations in demand and the fiscal shocks that occur. The authors suggest that the current crisis, creates severe negative shocks throughout the economy and the public finances have been heavily affected - estimates for the 2020/21 financial year as a whole suggest that the deficit will rise by £100-150 billion (4.5-7% of 2019 GDP) as a result of the drop in economic output and operation of existing automatic stabilisers.

The researchers report that there is broad consensus among economists that the interventions introduced are necessary, and that by limiting the economic damage suffered in the short term and accelerating the economic recovery, they will ultimately reduce the fiscal costs of the crisis over the longer term, thanks to the extra tax receipts from employees that remain in employment and companies that stave off bankruptcy.

As long as the government can continue to borrow at very low rates of interest, most economists agree that the temporary spike in borrowing this year is not an immediate concern for the sustainability of the public finances. Where economists disagree is on how and when to tackle the legacy of high debt that the crisis will leave behind. Eventually, it will have to be financed through some combination of future taxes, future spending cuts, strong economic growth or inflation.

Some potential policy instruments include temporarily freezing public sector pay; rethinking the indexation of public pensions; or raising taxes on income or wealth. But many economists warn that attempting to balance the budget too early, before the economy has recovered from this dramatic shock, will ultimately prove self-defeating, by undermining economic growth and productivity.

Best Start Grant and Best Start Foods: high level statistics to 31 May 2020, Scottish Government, 28/7/2020

<https://www.gov.scot/publications/best-start-grant-and-best-start-foods-high-level-statistics-to-31-may-2020/>

Not specifically Covid related, rather an update on claimants for one of the relatively new Scottish benefits. Provides statistics that indicated that from 10 December 2018 to 31 May 2020, 159,975 applications for Best Start Grant and Best Start Foods were received. Out of these applications they estimate that 60,040 (38%) were for Pregnancy and Baby Payment, 53,040 (33%) were for Early Learning Payment, 27,230 (17%) were for School Age Payment, and 63,540 (40%) for Best Start Foods payment. Applications for multiple payments are counted multiple times within these figures.

Looking at the Local Authorities that make up the City Region we can see the following numbers and amount of grants awarded since the Best Start Grant and Best Start Foods started.

	Number	£
East Lothian	2,565	505,751
Edinburgh	8,935	1,740,126
Fife	11,505	2,290,813
Midlothian	2,800	531,948
Scottish Borders	2,320	477,019
West Lothian	5,915	1,115,856

Household consumption and saving across the UK – some new data, 27/7/2020, Fraser of Allander Institute.

https://fraserofallander.org/scottish-economy/household-consumption-and-saving-across-the-uk-some-new-data/?utm_source=rss&utm_medium=rss&utm_campaign=household-consumption-and-saving-across-the-uk-some-new-data&utm_source=Fraser+Blog+and+subs+list&utm_campaign=831156423b-Email-Blog-RSS&utm_medium=email&utm_term=0_c855ea57f7-831156423b-86525662

A discussion of some experimental data released by ONS which can be looked at regionally and relates to spending patterns. As its new data FAI and ONS both flag up that it should be treated with caution. It doesn't cover the current period as the data only goes up to 2018, that said it is still worth looking at as it gives an indication of where money was being spent prior to the pandemic and which regions were spending most.

They find that the overall per person consumption expenditure in the UK was highest in London and the South East of England and that Scotland had fallen back slightly between 2009 and 2018. The discussion moves on to look at tourism expenditure. They indicate that more than 50% of tourism spending in the UK takes place in London whilst Scotland was the second highest recipient across the UK in 2018, although well back on around 10%. As tourism has virtually halted through the pandemic its clear that the economic impact will differ depending on geography.

Inquiry into mental health support for young people in Scotland, The Scottish Parliament Paper 776, 24/7/2020

<https://sp-bpr-en-prod-cdnep.azureedge.net/published/PPC/2020/7/24/Inquiry-into-mental-health-support-for-young-people-in-Scotland/PCCS052020R3.pdf>

The Scottish Parliament Public Petition Committee were asked to look into young people's mental health in 2016 and this report is the conclusion of their work. The impact of the pandemic on mental health is a concern as is the fact that young people are facing the impact of the economic downturn. Both of these make this report and its conclusions relevant.

The Committee has made recommendations for the Scottish Government, COSLA, integration authorities and Education Scotland. These include:

- Authorities set out clear pathways to support for young people seeking help by the end of 2020.
- That there should be local 'inventories' of mental health services in each area so it is clear to professionals what support is available in each area. This work should be completed no later than by the end of 2020.
- That work is undertaken to identify how to support parents and carers in accessing information about their children's mental health, as well as signposting them to the right services.
- That the provision of school counsellors is reviewed to ensure they are delivering their services most effectively; and that Personal and Social Education (PSE) becomes more relevant and empowering for young people.
- Teachers are empowered to identify and support young people with their mental health. Mental health first aid training should be included in Initial Teacher Education by the start of academic year 2021/22.
- That the Government should consider ways to help employers of young people fulfil their duty of care when it comes to supporting their mental wellbeing.

Will Covid-19 change attitudes towards the welfare state? John Curtice, IPPR Progressive Review, Volume 27 Issue 1, Summer 2020

<https://onlinelibrary.wiley.com/doi/full/10.1111/newe.12185>

In this paper Curtice looks at the British Social Attitudes Survey (BSA) to examine what attitudes are to the welfare state and in particular will the experience of greater state involvement in society as a result of Covid-19 mean that these attitudes change.

He looks across the welfare state and although he finds high levels of support for spending on health and social care, the same can't be seen for spending on social security, the poverty focused parts of the welfare state. He makes the point that whilst the health service has consistently been at the top of people's spending priorities, spending on social security has regularly been at the bottom of the ladder of priorities. In the 35 years that BSA has asked its question about spending priorities, the proportion saying that more social security spending was their top choice has never been more than 7 per cent- compared to 56% for health in the latest survey.

He goes further and indicates the majority of social security spending goes to pensioners. Improving benefits for unemployed people, which were selected on average by 16 per cent during the 1980s (when unemployment was relatively high), fell sharply down people's list of priorities during New Labour's time in office, with just 4 per cent regarding them as their top priority. He goes on to say that these changes in attitudes towards benefits for unemployed people could be said to reflect trends in the level of unemployment- people were more generous in their attitudes towards benefits for unemployed people in the 1980s, when unemployment was high, than they were in the first two decades of the 21st century when unemployment was relatively low.

He says that whilst in the recent past, increase in welfare provision to those of working age would have had limited support, the past few years have witnessed something of a change in public attitudes towards aspects of the welfare state and voters now seem to be rather more sympathetic to the position of those of working age who find themselves in need. He postulates that this may make it more likely that the public will accept the cost (in terms of taxation and/or borrowing) that will be required to provide relief for workers during the crisis.

Curtice wonders if the experience of the Covid-19 pandemic will have a longer-term impact on attitudes towards the welfare state with a significant change in the critical attitude towards benefits for those of working age.

Latest data on the Scottish economy. 24/7/2020, Fraser of Allander Institute

https://fraserofallander.org/covid/latest-data-on-the-scottish-economy-update-24th-july-2020/?utm_source=rss&utm_medium=rss&utm_campaign=latest-data-on-the-scottish-economy-update-24th-july-2020&utm_source=Fraser+Blog+and+subs+list&utm_campaign=162777ef01-Email-Blog-RSS&utm_medium=email&utm_term=0_c855ea57f7-162777ef01-86525662

The latest in the FAI series of snapshots shows consumer interest in some sectors rebounding but a sizeable proportion of Scottish businesses who remain closed and do not intend to restart trading soon. Furthermore, almost a third of all eligible jobs in Scotland had been furloughed at the start of July. Estimates of the financial impact on households of Coronavirus so far show a large real-term fall in typical incomes in the range of 4.5%.

Coronavirus and the latest indicators for the UK economy and society: 23 July 2020, ONS, 23/7/2020

<https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/bulletins/coronavirustheukeconomyandsocietyfasterindicators/latest>

This is the latest in the ONS Faster Indicators series. Not all of the data is UK wide however the main points that are UK wide or relevant for Scotland are as follows.

- Of responding businesses to the latest BICS survey, 92% said they were trading between 29 June and 12 July 2020, compared with 86% of responding businesses between 1 and 14 June 2020. This is clearly weighted heavily towards England and the earlier lifting of lockdown restrictions there than in Scotland.
- The proportion of adults wearing a face covering when leaving the home increased from 61% to 71% according to the latest Opinions and Lifestyle Survey (OPN).
- On 17 July, overall footfall rose to two-thirds of its level the same day a year ago, the highest since lockdown began. These figures are provided by Springboard, a provider of data on customer activity.
- Between 10 and 17 July, the total volume of job adverts increased to just over 50% of their 2019 average. This is based on the Adzuna job search engine and can be looked at by sector so that you can see that Catering and Hospitality is running at around 1/3rd of what it was last year whilst Health and Social care adverts are around the same as last year.
- Overall, prices of items in the high-demand product (HDP) basket decreased by 0.7% between the week ending 12 July and the week ending 19 July, the largest decrease since the series started on 16 March. This data set is useful to give an indication of how lower income households, even those not directly in the labour market, can be effected by how key good supplies and prices are changing.

How is coronavirus affecting the creation of new firms and new jobs? Alfred Duncan, Miguel León-Ledesma, Anthony Savagar, Petr Sedláček, Vincent Sterk, Economics Observatory, 23/7/2020

<https://www.coronavirusandtheeconomy.com/question/how-coronavirus-affecting-creation-new-firms-and-new-jobs>

The authors look at company registrations in the UK since January 2020 relative to the same week in 2019 and since lockdown began, average business creation is 25% lower than in the same period in 2019. The four weeks following lockdown are most affected, with business creation down 40% on average.

The paper then examines the effect of lockdown on business creation across industries (focusing on the largest 11 industries by number of registrations in 2019). Graphically, they show the percentage change in weekly average registrations against the same period in 2019. Non-essential sectors, such as Accommodation and Food Service, and Real Estate, performed worse than essential sectors, such as Manufacturing, and Wholesale and Retail Trade. Construction performed among the worst over the weeks to 30 April, but the sector has since recovered with the easing of sector-specific restrictions.

As well as a sector analysis the report looks at change in company registration by region. This illustrates that Wales, Northern Ireland and Scotland have suffered the largest declines in business creation – in the case of Scotland down by nearly 35% compared to 2019.

MSPs to investigate impact of Covid-19 on financial sustainability of local government in Scotland, Scottish Parliament 23/7/2020

<https://www.parliament.scot/newsandmediacentre/115618.aspx>

The Scottish Parliament's Local Government and Communities Committee has launched a call for views on the impact of Covid-19 on the financial sustainability of local government in Scotland. MSPs will seek to identify which council services have been most impacted by the public health emergency, as well as exploring which parts of local government have been least affected or most resilient.

A key focus for the Committee will be what steps local government takes, in the short and long term, to manage the financial impact of the crisis. It will also ask what further help councils will need to overcome the ongoing funding pressures. Looking beyond the crisis, the Committee is also keen to hear views on how soon the sector will return to normal, or whether it is time for a "new normal" in the way councils deliver services and what that future might look like.

Revisiting the Route Map to an Enabling State Guiding Principles for Recover, The Carnegie Trust, July 2020

https://d1ssu070pg2v9i.cloudfront.net/pex/carnegie_uk_trust/2020/07/08153724/LOW-RES-4614-CUKT-Guiding-Principles-for-Recovery-A5-1.pdf

This new report updates a 2014 report entitled "Enabling State Route Map" where the Carnegie Trust set out seven principles that need to underpin the strategy for recovery in developing the enabling state. The Trust defined an enabling state as one "that supports people and communities to achieve positive change for themselves, and in doing so, ensures that the most vulnerable are not

left behind.” They propose 7 steps for public services to take as they move into recovery mode and could accelerate their progress towards an enabling state model.

1. **Put wellbeing at the centre.** They suggest that COVID-19 has reminded us about what it takes to live a good life. Those responsible for shaping places and providing services should focus on this holistic understanding of the conditions in which people and communities can flourish and be based on evidence of what will improve wellbeing ‘in the round’, rather than according to professional or departmental boundaries.

2. **Give people permission to take control.** Those with long-term conditions have long advocated for personal budgets and control over their assessments and plans. Co-design and co-production of legislation, policy and services should be the norm, not the exception.

3. **Help people to help each other.** COVID-19 provided many examples of mutual support and in the recovery, governments and services should take care not to step back into a ‘command and control’ role, instead viewing their role as being to facilitate community-based action.

4. **Support people to participate fully.** One key role of the enabling state is to level the playing field, but it should do so by supporting community capacity to self-organise, not by replacing community efforts with more professional services.

5. **Move upstream.** There are strong social and economic arguments for moving to more preventative approaches, particularly for children and young people, in public health, and within justice to reduce re-offending. At a time when there will be demand for spending on acute services, governments and service managers should be encouraged and supported to protect the budgets for activities that stop harm from occurring, and to deploy these in a way that recognises the effectiveness of work done by grassroots and community organisations.

6. **Build in radical kindness.** We know that kindness can provide the building blocks for community empowerment through positive relationships and values. Radical kindness goes further than individual efforts, and asks us to consider how we can build a society that treats everyone with kindness.

7. **Tell an authentic story of change.** Transforming the relationship between the state and citizens is a ‘hearts and minds’ issue, as well as a structural challenge for public services. Governments and service providers should urgently seek out and listen to the stories of how their communities have experienced the COVID-19 crisis, and use these perspectives to challenge existing orthodoxy.

Deaths involving coronavirus (COVID-19) in Scotland Week 29 (13 to 19 July 2020), NRS, 22/7/2020

<https://www.nrscotland.gov.uk/files//statistics/covid19/covid-deaths-report-week-29.pdf>

Whilst this summary tends to look at the economic impact of the virus, it is useful to remember that it is a health pandemic first and foremost. This publication is one in a series that looks at the characteristics of those that have died where COVID 19 was a factor. Overall, as at 19th July, there have been a total of 4,193 deaths registered in Scotland where COVID-19 was mentioned on the death certificate. More than three quarters (77%) of all deaths involving COVID-19 to date were of people aged 75 or over.

The paper looks at why there are differences in the numbers published at different times as well as examining in more detail deaths in care homes or at home. It compares local authorities ranging from Western Isles where there have been 0 deaths through to Glasgow and Clyde where there have been 1,330. Of particular relevance to the readers of this summary is when the report looks at the differences in occupations and the residence of the person who died.

The data on occupations only looks at cases where the person who died was of working age, which they record as 20-64 years of age. In terms of occupation it demonstrates that 6.6 per 100,000 deaths were from Associate Professional and Technical Occupations compared to 25.1 per 100,000 who worked in Process, Plant and Machine Operatives. This looks to be a significant difference until we look at all deaths by occupation and this indicates that in general for Associate Professional and Technical Occupations there are 39.9 per 100,000 compared to 216.0 per 100,000 for Process, Plant and Machine Operatives. A similar trend can be seen when an areas deprivation score is considered. Overall, there are 643.3 deaths per 100,000 in the most deprived areas compared to 341.8 deaths per 100,000 in the least deprived areas. Deaths where COVID 19 was recorded as the cause reflects this with twice as many in the most deprived areas as in the least deprived areas- 124.1 per 100,000 in the most deprived compared to 60.5 per 100,000 in the least deprived.

EU-UK future relationship: impact of Covid-19, Anthony Salamone, Local Government Institute , 21/7/2020

<https://lgiu.org/briefing/eu-uk-future-relationship-impact-of-covid-19/>

While the public health situation will remain unpredictable, the Brexit timetable is fixed and cannot be paused if matters become difficult. This paper indicates that local authorities will have to contend with the coronavirus public health response, the economic recovery, and the Brexit changeover simultaneously. No-deal and end-of-transition preparations are now both necessary.

It starts by explaining that no major breakthroughs regarding the Brexit negotiations have been achieved in recent weeks and the same differences between the two sides persist. The EU has indicated that an agreement should be reached by the end of October therefore leaving only 3 months. Much of the discussion looks at where we are currently at and how preparations differ between the EU and the UK. For example the UK government has announced that it will now not conduct customs checks on imports into the UK from the EU from 1 January, instead these will be introduced fully by July 2021. By contrast, the EU will apply full customs controls on imports from the UK immediately at the end of the transition. While the coronavirus has been cited as the reason for the UK's decision, it may also reflect that the UK might not have the necessary systems and infrastructure in place by the end of the year.

For local authorities, the implications of no EU-UK agreement on the coronavirus response could be significant. With new tariffs, quotas, or other restrictions, relevant equipment may be more expensive or less available. Where involving EU actors, provision and maintenance of software or IT systems could be impeded, and data transfers might not be possible. The envisaged restrictions on immigration would reduce the ability of health and care workers from the EU to come to and work in the UK. Some disruption will be inevitable with the end of the transition and they indicate that it is likely to be much greater under a no-deal scenario. The author concludes with the point that in 2019 43% of UK exports went to the EU and 51% of UK imports came from the EU.

Scotland's Census to be moved to March 2022, Scotland Census, 17/7/2020

<https://www.scotlandscensus.gov.uk/node/753>

This simple news briefing explains that the Census which has taken place every ten years since 1801 will be postponed and will take place in 2022 rather than 2021. The only other time there has been such a postponement was in 1941. At the time of writing this means that the census in Scotland will differ from England and Wales which is still planned for 2021. Census data is the one picture of the entire population, providing information on household composition, economic activity, commuting patterns etc. This data then informs policy decisions and a range of population forecasts underpinning the Annual Population Survey which provides quarterly economic activity estimates.

Covid-19 and the low paid: Early analysis of Labour Force Survey, Dafni Papoutsaki and Tony Wilson, Institute for Employment Studies/Standard Life Foundation, July 2020

<https://www.employment-studies.co.uk/resource/covid-19-and-low-paid-early-analysis-labour-force-survey>

This briefing note sets out early findings on the impacts of the Covid-19 pandemic on low paid employees, drawing on detailed analysis of Labour Force Survey (LFS) responses from February to April 2020. The work has been funded by the Standard Life Foundation, as part of a new project exploring the employment and financial impacts of the pandemic on low-income working households.

The analysis is restricted to employees, and they define as low paid those workers who report earnings below the Real Living Wage, i.e. less than £9.50 per hour (or less than £10.45 per hour for those living in London). This question is not asked in every LFS sample, so the researchers have had to impute the missing values for other respondents to the LFS and in the paper they discuss the methods they used. Overall, this approach led to an estimate of 16.5% of employees in low pay and of interest for this study.

They found that;

Those in low paid jobs are more likely to be women, to be young, to be black or from a minority ethnic group, to be under-employed and/ or to have lower qualifications. So those in low paid work are already disadvantaged in the labour market compared to higher paid workers.

Employment has fallen significantly already for those in low paid jobs – down by four percentage points between February and April, from 82 to 78% – equivalent to a fall of 140,000. Meanwhile employment is unchanged for those in higher paying jobs. This suggests that there is a sizable group of people, in previously low paying work, who have not been protected by the Job Retention Scheme or Self-Employment Income Support and are now out of work. This likely reflects both the occupations that low paid workers are in, but also their often more precarious employment conditions – with low paid workers two thirds more likely to be in temporary work, three times more likely to be part-time, and nearly five times more likely to be on zero hours contracts than higher paid workers.

Those in lower paying jobs are twice as likely to report that they are 'away' from work (but still employed) and report a greater reduction in usual hours of work than those in higher paying jobs.

One in eleven low paid workers are looking for a new or additional job – double the rate for those in higher paid jobs, and equivalent to 400 thousand low paid workers seeking other work. Looking

ahead, these findings reiterate the importance of focusing on how we support those in lower paid work during the crisis and in the recovery, and in particular to address the quality and security of low paid work, support in work, and help to find new work where this is sought.

The next stages of this project will interview workers in low paying occupations, to explore in more depth the impacts of the crisis and how public policy and employers can respond.

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