

Article

Furloughing of workers across UK businesses: 23 March 2020 to 5 April 2020

Analysis of Wave 2 of the Business Impact of Coronavirus (COVID-19) Survey (BICS). This complements the analysis of BICS by focusing on the workforce furloughed across responding businesses.

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1 . Main points

- In the reference period 23 March to 5 April 2020, 27% of the workforce had been furloughed across 6,150 businesses that responded to the Business Impact of Coronavirus (COVID-19) Survey (BICS) and were still trading or had temporarily paused trading.
- Less than 1% of the workforce had been made redundant across responding businesses that were still trading or had temporarily paused trading during the period 23 March to 5 April 2020.
- In the reference period 23 March to 5 April 2020, 78% of the workforce had been furloughed in businesses that had temporarily closed or had paused trading.
- For the workforce of businesses that were continuing to trade, the highest incidences of furloughing were in the accommodation and food service activities sector industry (40%) and construction (32%) industries.
- Across responding businesses that were still trading or had temporarily paused trading, over 95% of firms that had furloughed anyone were interested in the [Coronavirus Job Retention Scheme \(CJRS\)](#).

2 . Introduction

The coronavirus (COVID-19) pandemic and the measures introduced by the UK government to halt the spread of the contagion have inflicted an unprecedented shock to the UK labour market. Measures introduced by the UK government in response to COVID-19 include [social distancing](#) and [business closures](#), as well as counter-measures aimed at supporting businesses and workers, including the [Coronavirus Job Retention Scheme \(CJRS\)](#), aimed at workers who have been furloughed (placed on temporary leave by their employers) as a result of COVID-19.

The analysis in this release complements the data in the statistical bulletin [Coronavirus and the economic impacts on the UK: 23 April 2020](#) released on 23 April 2020, to provide a closer picture of the impact that COVID-19, and some of the measures introduced by the UK government in response to the pandemic, are having on the labour market.

This article primarily focuses on proportions of the workforce. It is based on the responses provided by businesses to the second wave of the Business Impact of Coronavirus (COVID-19) Survey (BICS) and is apportioned to derive numbers and proportions of employees in those businesses, using the employment recorded for each reporting unit on the Inter-Departmental Business Register (IDBR). This apportionment of workforce methodology used for these data does not involve grossing to make a UK-wide estimation; therefore, the findings should not be treated as representative of the UK workforce.

Most of the figures presented in this article differ from, and are not comparable to, those in the statistical bulletin [Coronavirus and the economic impacts on the UK: 23 April 2020](#), the main focus of which is businesses. The figures in this article have not applied the apportionment approach described earlier.

3 . Furloughing rates by trading status for responding businesses that were still trading or have temporarily paused trading

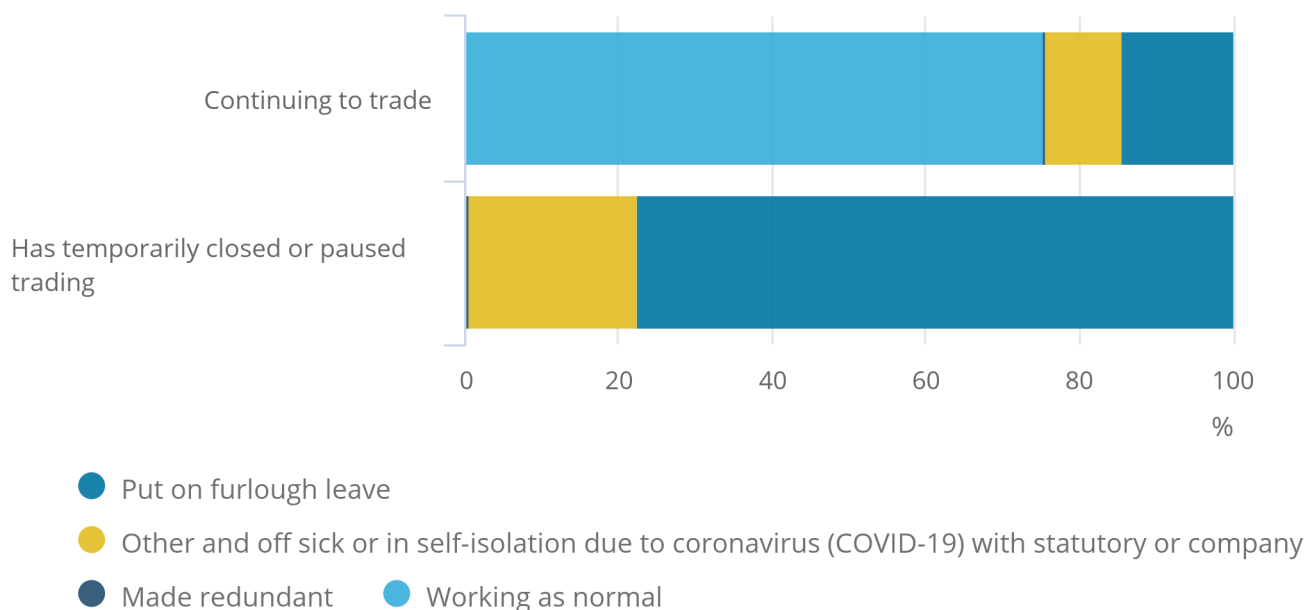
Results from Wave 2 of the Business Impact of Coronavirus (COVID-19) Survey (BICS) show that 27% of the workforce had been furloughed in the reference period 23 March to 5 April 2020 across the 6,150 businesses that had responded and were either continuing to trade or had temporarily paused trading; this corresponds to 14% of the workforce in businesses that continued trading and 78% of the workforce in businesses that had temporarily closed or had paused trading.

Figure 1: For responding businesses that were still trading or had temporarily paused trading, just over a quarter of the workforce had been furloughed

Proportion of the workforce by working arrangements, for responding businesses that were still trading or had temporarily paused trading, UK, 23 March 2020 to 5 April 2020

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Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey

Notes:

1. The apportionment of workforce methodology used for these data does not involve grossing for UK wide estimation.
2. These figures represent the proportion of responses to each question from businesses, apportioned using the employment recorded for each Reporting Unit on the Interdepartmental Business Register (IDBR).
3. Final results, Wave 2 of ONS Business Impact of Coronavirus (COVID-19) Survey. Responding businesses that have temporarily paused trading or continuing to trade. (n = 6,150).
4. 'Other' includes all other effects not defined in the question.
5. Businesses who responded as temporarily pausing trade, were not asked to report levels of staff sickness or self-isolation, whilst businesses who responded as continuing to trade were. To enable comparison between businesses who have paused trading and who have continued trading, the categories "Other" and "Off sick or in self-isolation due to coronavirus (COVID-19) with statutory or company pay" have been summed together into "Other (including sick pay and self-isolation)".

In businesses that continued trading, 5% of the workforce was off sick or in self-isolation because of COVID-19, while 76% was working as normal.

Across all responding businesses that had temporarily paused trading during the period 23 March to 5 April 2020, only 0.5% of the workforce had been made redundant. This provides an indication that, at least at this early stage, long-term negative consequences for employment levels across businesses expecting to re-open remain contained.

4 . Proportion of furloughed workforce by industry and trading status of responding businesses

The proportion of the workforce that had been furloughed across responding businesses varied substantially between industries, and it depended on whether the business employing them was still trading or had temporarily ceased its activities.

Figure 2 shows that the highest proportion of workforce being furloughed was recorded in the accommodation and food service activities industry (80%) and in the art, entertainment and recreation industry (68%).

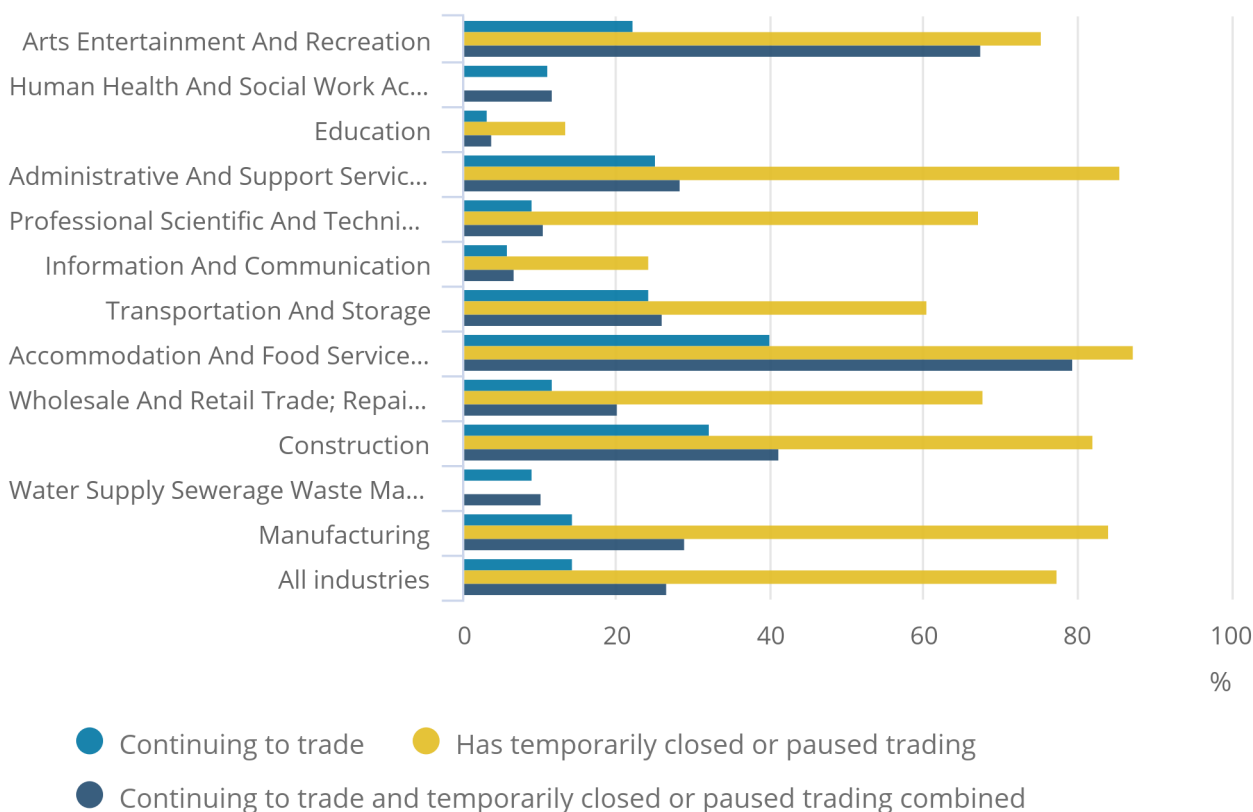
This at least partially reflects businesses in these industries reporting in large proportions to have temporarily closed or ceased trading (81% of businesses for the accommodation and food service activities industry and 82% of businesses for the art, entertainment and recreation industry), as the rate of furloughing was higher across businesses facing temporary closures. More detailed figures on business closures can be found in the statistical bulletin [Coronavirus and the economic impacts on the UK: 23 April 2020](#).

Figure 2: Rates of furloughing varied widely across industry, particularly for those businesses continuing to trade

Proportion of the workforce that had been furloughed, by industry and trading status of the employing business, for responding businesses that were still trading or had temporarily paused trading, UK, 23 March 2020 to 5 April 2020

Figure 2: Rates of furloughing varied widely across industry, particularly for those businesses continuing to trade

Proportion of the workforce that had been furloughed, by industry and trading status of the employing business, for responding businesses that were still trading or had temporarily paused trading, UK, 23 March 2020 to 5 April 2020



Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey

Notes:

1. The apportionment of workforce methodology used for these data does not involve grossing for UK wide estimation.
2. These figures represent the proportion of responses to each question from businesses, apportioned using the employment recorded for each Reporting Unit on the Interdepartmental Business Register (IDBR).
3. Real Estate Services, Other Services and Mining and Quarrying have been removed due to their low response rate, but their totals are included in 'All industries'.
4. For firms which have temporarily closed or paused trading, Human Health and Social Work Activities, Water Supply, Sewerage, Waste Management And Remediation Activities have been removed due to their low response rate, but their totals are included in 'All industries' final results.
5. Wave 2 of ONS Business Impact of Coronavirus (COVID-19) Survey who have temporarily paused trading or continuing to trade. (n = 6,150).

The education and information and communication industries had the lowest proportion of furloughed workforce, both in businesses that continued trading, with 3% and 6% of furloughed staff respectively, and in businesses that had temporarily ceased trading, with 13% and 24% respectively.

The highest proportion of furloughed staff across businesses that continued trading was 40%, recorded in responding businesses in the accommodation and food service activities industry, followed by the construction industry (32%). The equivalent figure was much higher for the workforce of businesses that had ceased trading, at 87% for the workforce in the accommodation and food service activities industry, followed by the administrative and support service activities industry (86%).

5 . The rate of furloughing varied depending on the trading status of the business

To better appreciate how the proportion of the workforce that had been furloughed varied across businesses, this section aggregates responding businesses by categories, defined based on the proportion of their staff that had been furloughed, within the following ranges:

- 0%
- 1% to 10%
- 11% to 25%
- 26% to 50%
- 51% to 75%
- 76% to 90%
- 91% to 100%

Figure 3 shows how the rate of furloughing varies depending on the trading status of the business. Among businesses that stopped trading, 54% furloughed more than 90% of their workforce, while only 1% of businesses that continued trading furloughed the same proportion of their workforce.

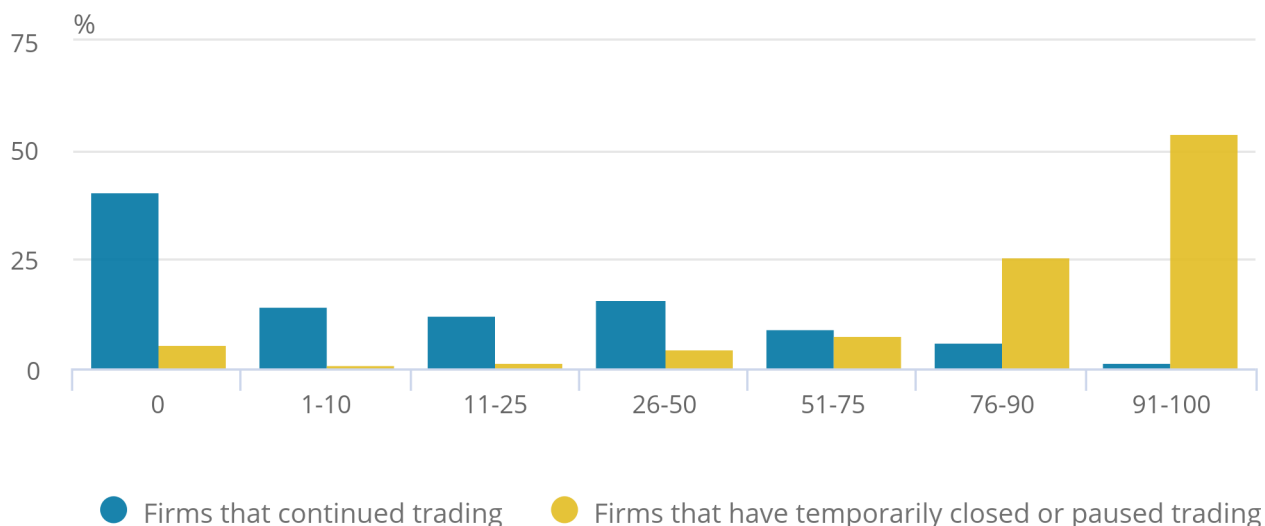
Conversely, in 41% of cases no staff were furloughed among businesses that continued trading, while this was only true in 6% of the cases for businesses that had temporarily ceased trading.

Figure 3: In two-fifths of firms that continue trading, no staff were furloughed

Proportion of businesses, by proportion of the workforce that had been furloughed (ranges) and trading status, for responding businesses that were still trading or had temporarily paused trading, UK, 23 March 2020 to 5 April 2020

Figure 3: In two-fifths of firms that continue trading, no staff were furloughed

Proportion of businesses, by proportion of the workforce that had been furloughed (ranges) and trading status, for responding businesses that were still trading or had temporarily paused trading, UK, 23 March 2020 to 5 April 2020



Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey

Notes:

1. Ranges are based on apportioned workforce. Figures represent the proportion of responses to each question from businesses, apportioned using the employment recorded for each Reporting Unit on the Interdepartmental Business Register (IDBR).
2. The apportionment of workforce methodology used for these data does not involve grossing for UK wide estimation.
3. Final results, Wave 2 of ONS Business Impact of Coronavirus (COVID-19) Survey who have temporarily paused trading or continuing to trade. (n = 6,150).

6 . Furloughing rates by expected changes to workforce size of responding businesses

Of those businesses that were continuing to trade, the survey asks for their expectation of changes in the workforce size in the next two weeks. These are different from reported behaviours, and they need to be treated with particular caution, as they only reflect respondents' reported expectation to behave in a certain way in the future, with no certainty that such behaviour will materialise. Nonetheless, they provide useful insights on respondents' attitudes and the factors potentially influencing their decisions. Figure 4 shows the proportion of the workforce who have been furloughed by the workforce size expectation for businesses that responded.

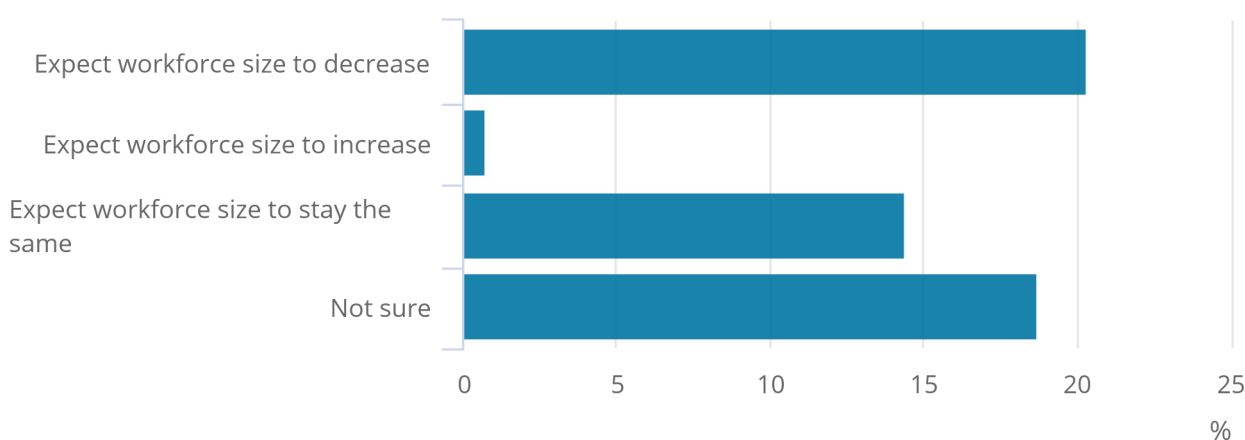
For businesses that reported the expectation that their workforce size would decrease in the next two weeks, over 20% of employees had already been furloughed. Over 14% of employees had been furloughed by businesses that expect their current workforce to remain the same over the next two weeks. For businesses that expect their workforce size to increase in the next two weeks, less than 1% of the workforce had been furloughed.

Figure 4: For responding businesses that were still trading and expected their workforce size to decrease, 20% of the workforce had been furloughed

Furlough rates by workforce size expectations, UK, 23 March 2020 to 5 April 2020

Figure 4: For responding businesses that were still trading and expected their workforce size to decrease, 20% of the workforce had been furloughed

Furlough rates by workforce size expectations, UK, 23 March 2020 to 5 April 2020



Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey

Notes:

1. The apportionment of workforce methodology used for these data does not involve grossing for UK wide estimation.
2. This figure represents the proportion of responses to each question from businesses, apportioned using the employment recorded for each Reporting Unit on the Interdepartmental Business Register (IDBR).
3. Final results, Wave 2 of ONS Business Impact of Coronavirus (COVID-19) Survey who are continuing to trade. (n = 2,817).

7 . Rate of furloughing by expected and actual turnover experience of businesses

Of those businesses that were continuing to trade, the survey asked for their experience in the change in turnover over the last two weeks. Figure 5 shows the proportion of the workforce that has been furloughed by turnover experience for businesses that responded.

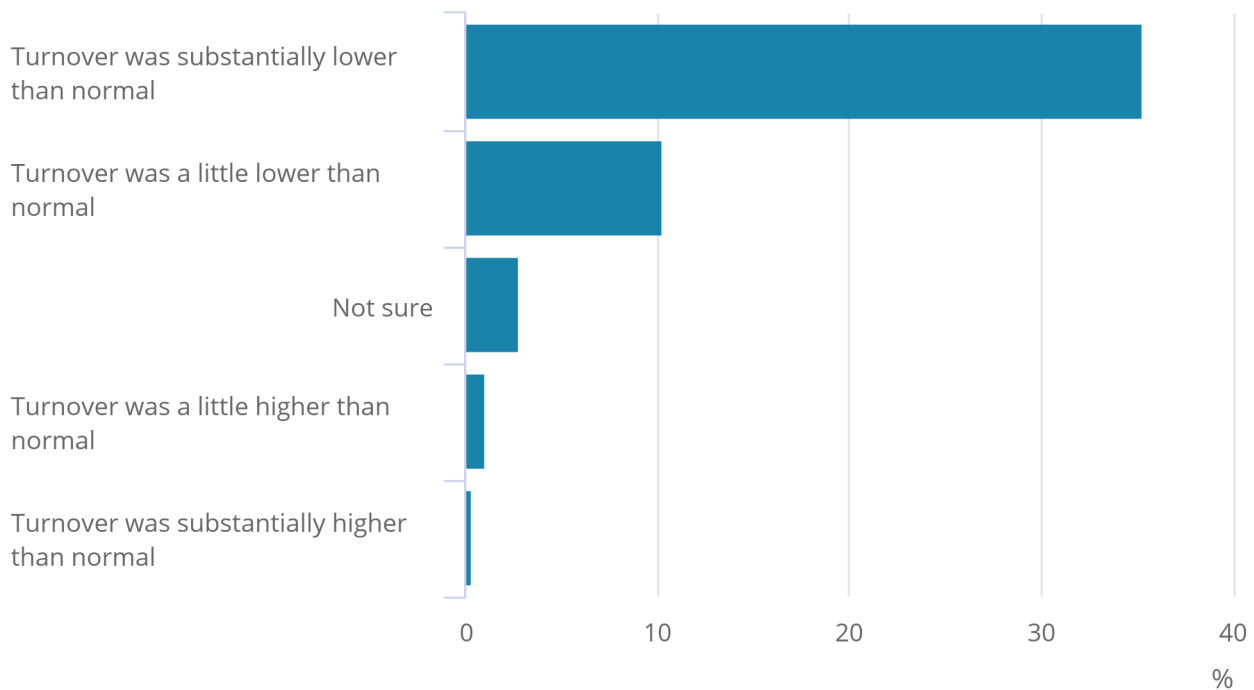
Over two-thirds of businesses reported their turnover was outside of the normal range. Of these businesses, 60% reported their turnover was substantially lower than normal in the last two weeks. Around 35% of employees in firms within this group were reported being furloughed. The furloughing rates were lower in firms reporting higher than usual turnover.

Figure 5: Across responding businesses that were still trading and experienced a substantially lower turnover than normal, 35% of the workforce had been furloughed

Furlough rates by turnover experience, UK, 23 March 2020 to 5 April 2020

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Furlough rates by turnover experience, UK, 23 March 2020 to 5 April 2020



Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey

Notes:

1. The apportionment of workforce methodology used for these data does not involve grossing for UK wide estimation.
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3. Final results, Wave 2 of ONS Business Impact of Coronavirus (COVID-19) Survey who are continuing to trade. (n = 2,817).

Examining the proportion of the workforce who have been furloughed among businesses that were still trading and experiencing a substantially lower turnover than normal offers further insight into the employment experience.

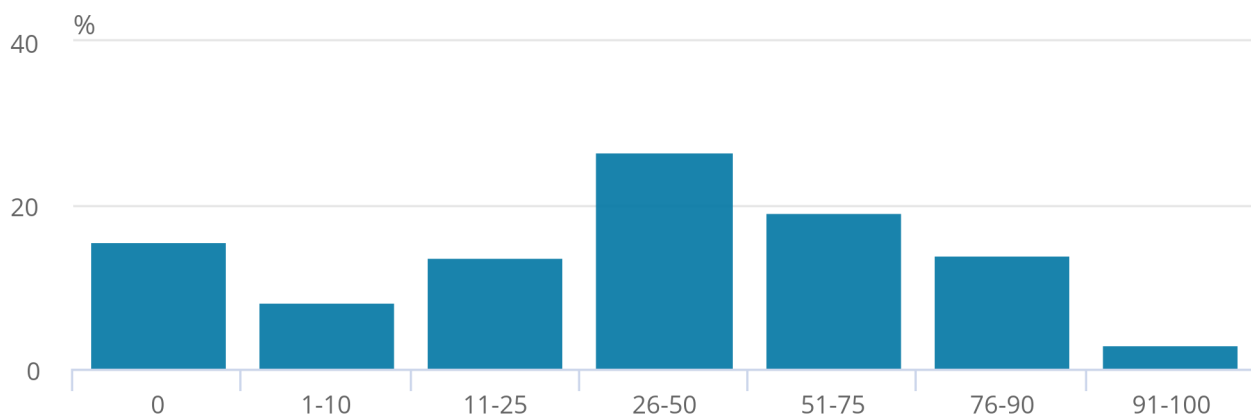
Over 25% of responding businesses that were still trading and experienced a substantially lower turnover than normal furloughed between 26% and 50% of their employees. Over 30% of firms experiencing substantially lower turnover than normal furloughed at least half of the workforce.

Figure 6: Over 75% of firms experiencing substantially lower turnover than normal furloughed more than 10% of the workforce

Proportion of businesses continuing trading and reporting large decreases in turnover by furloughing rate category, UK, 23 March 2020 to 5 April 2020

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Proportion of businesses continuing trading and reporting large decreases in turnover by furloughing rate category, UK, 23 March 2020 to 5 April 2020



Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey

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1. The apportionment of workforce methodology used for these data does not involve grossing for UK wide estimation.
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3. Final results, Wave 2 of ONS Business Impact of Coronavirus (COVID-19) Survey who are continuing to trade. (n = 2,817).

Of those businesses that were continuing to trade and those that had temporarily ceased trading, the survey asks for the expectation of change in turnover in the next two weeks. Figure 7 shows the proportion of the workforce who had been furloughed split by turnover expectation for businesses that responded.

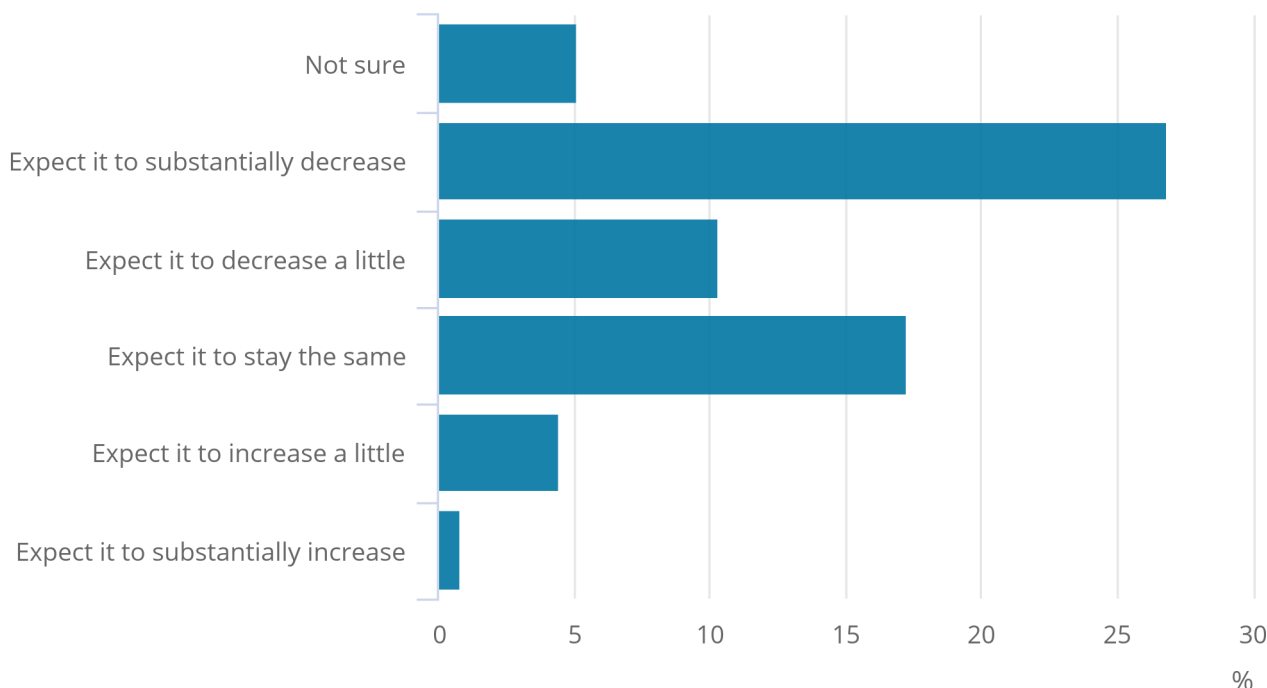
For businesses that reported the expectation that their turnover would substantially decrease in the next two weeks, 27% of employees had already been furloughed. Among businesses that expect their current turnover to remain the same over the next two weeks, 17% of employees had been furloughed. This suggests that with a reduced workforce, a number of firms believed they could sustain their operations.

Figure 7: Furlough rates by turnover expectations, UK, 23 March 2020 to 5 April 2020

Proportion of businesses continuing trading and reporting large decreases in turnover by furloughing rate category

Figure 7: Furlough rates by turnover expectations, UK, 23 March 2020 to 5 April 2020

Proportion of businesses continuing trading and reporting large decreases in turnover by furloughing rate category



Source: Office for National Statistics – Business Impact of Coronavirus (COVID-19) Survey

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3. Initial results, Wave 2 of ONS Business Impact of Coronavirus (COVID-19) Survey who are continuing to trade. (n = 2,817).

8 . Responding businesses' interest in the Coronavirus Job Retention Scheme

Of those businesses that were continuing to trade and that had temporarily ceased trading, the survey asks if they are interested in the government's [Coronavirus Job Retention Scheme \(CJRS\)](#). Figure 8 shows the proportion of businesses that were interested, categorised according to their furlough rate.

For responding businesses that were still trading or had temporarily paused trading, over 95% of firms that had furloughed anyone were interested in the scheme.

The rate of interest in the scheme was 99% among business that had furloughed at least one employee and that had temporarily paused trading were interested in the scheme.

9 . Conclusions

As the UK adjusts to rapid changes in society and the economy, and experiences unprecedented challenges from the coronavirus (COVID-19) pandemic, and the UK experiences unprecedented challenges from the coronavirus (COVID-19) pandemic, the Office for National Statistics (ONS) has developed a range of new [experimental](#) indicators on the UK economy and society, including information related to COVID-19. Indicators are constructed from novel data sources and experimental methods.

The findings presented in this article, based on the second wave of the Business Impact of COVID-19 Survey (BICS), provide an early indication of the changes to the workforce of responding businesses in relation to COVID-19 and some of the measures introduced by the UK government in response to this pandemic. These include around a quarter of the workforce having been furloughed and less than 1% having been made redundant, across the 6,150 businesses that responded to BICS and were still trading or had temporarily paused trading in the reference period 23 March to 5 April 2020

As more data become available from future waves of BICS, and from established labour market surveys such as the [Labour Force Survey \(LFS\)](#), new analyses will be published to provide a more comprehensive and updated picture of the impact of COVID-19 on the UK workforce.