

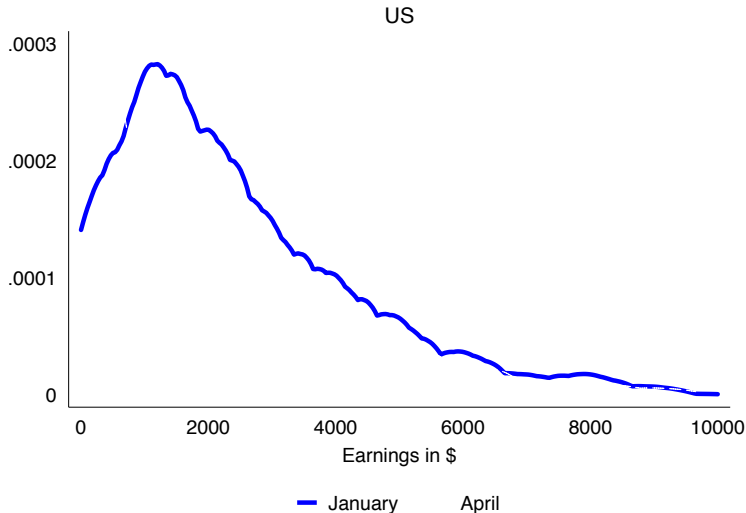
The Impact of Covid19 on the Labour Market

Real-Time Survey Evidence

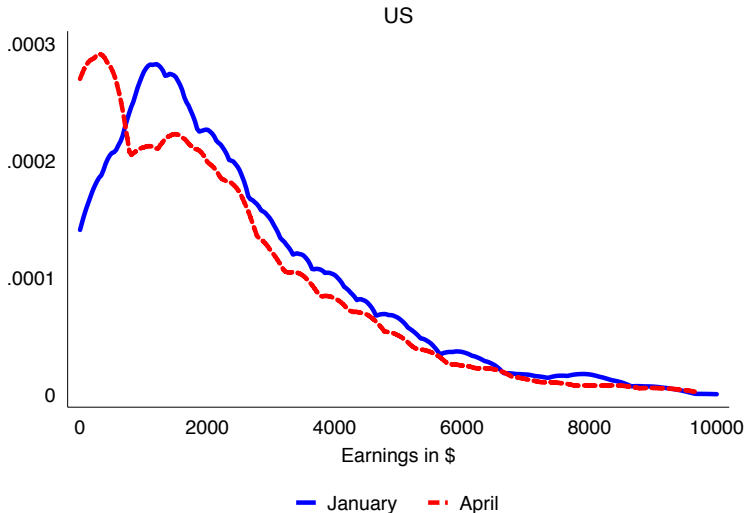
Abi Adams-Prassl
Teodora Boneva
Marta Golin
Christopher Rauh

How has individual labor income evolved?

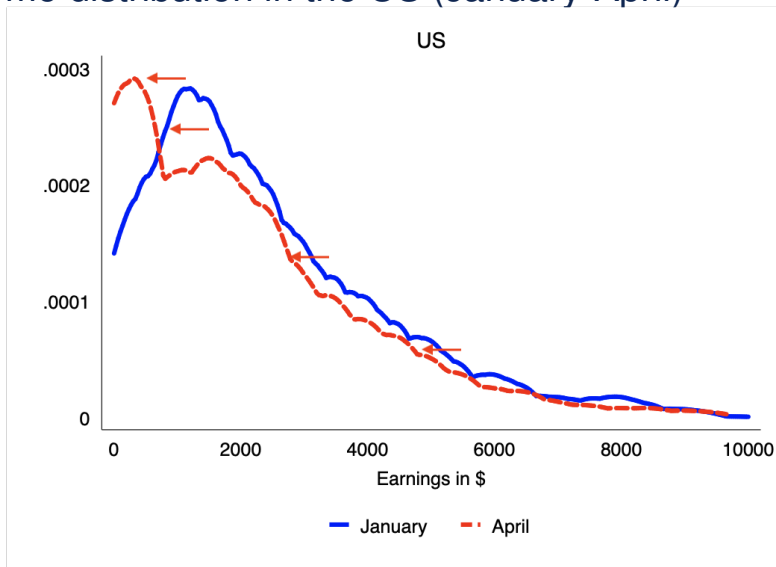
Income distribution in the US (January)



Income distribution in the US (January-April)

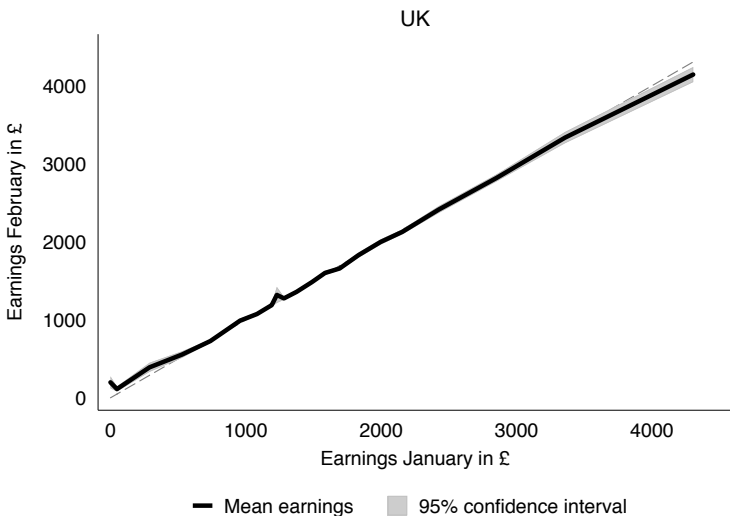


Income distribution in the US (January-April)



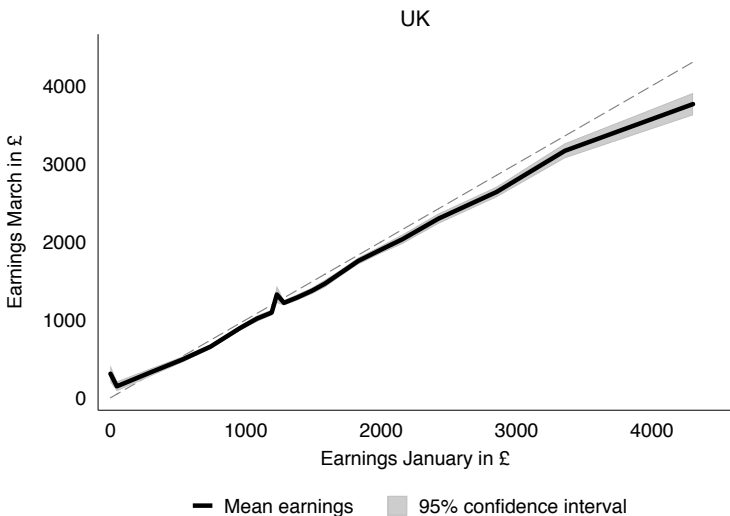
17% drop in mean net labor income.

Income averages in the UK (January-February)



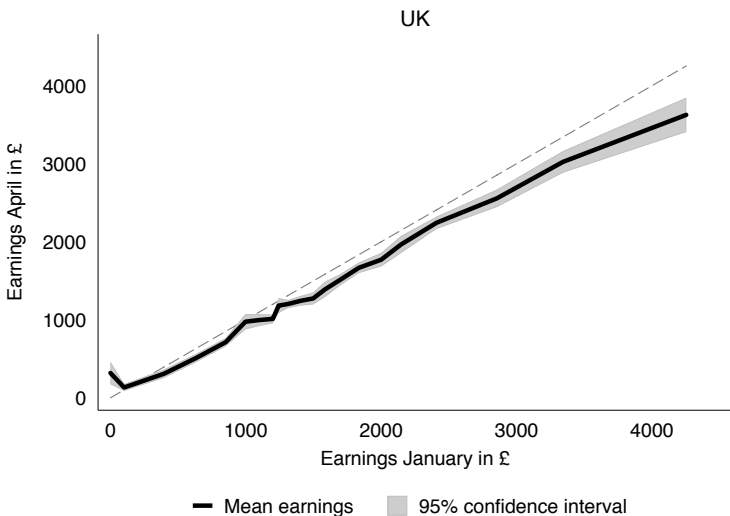
Average incomes did not change.

Income averages in the UK (January-March)



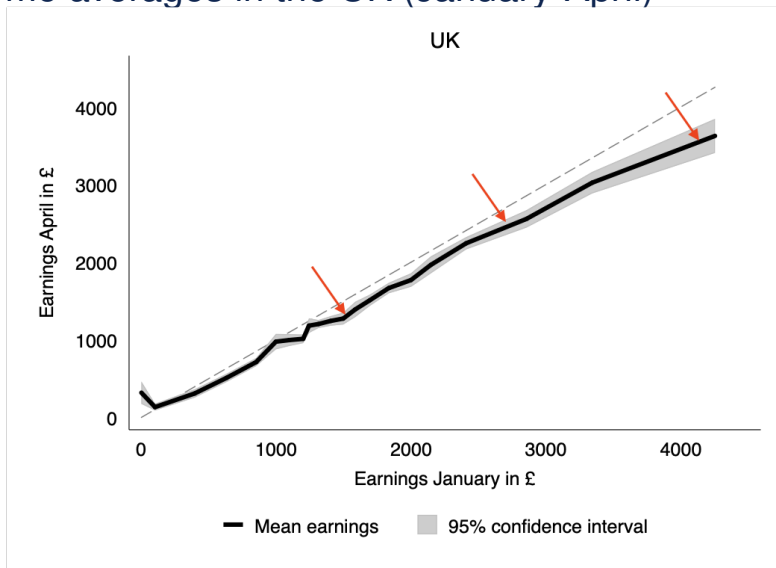
Average incomes began dropping.

Income averages in the UK (January-April)



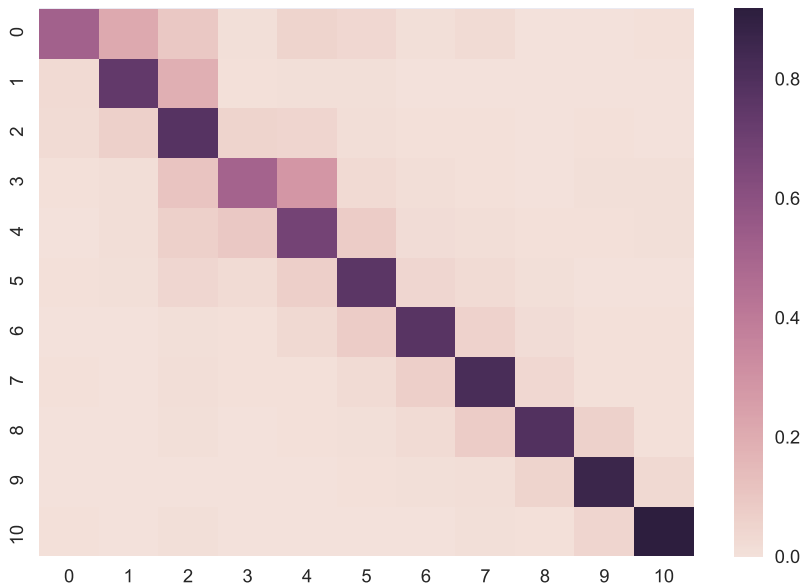
Average incomes dropped across the distribution.

Income averages in the UK (January-April)

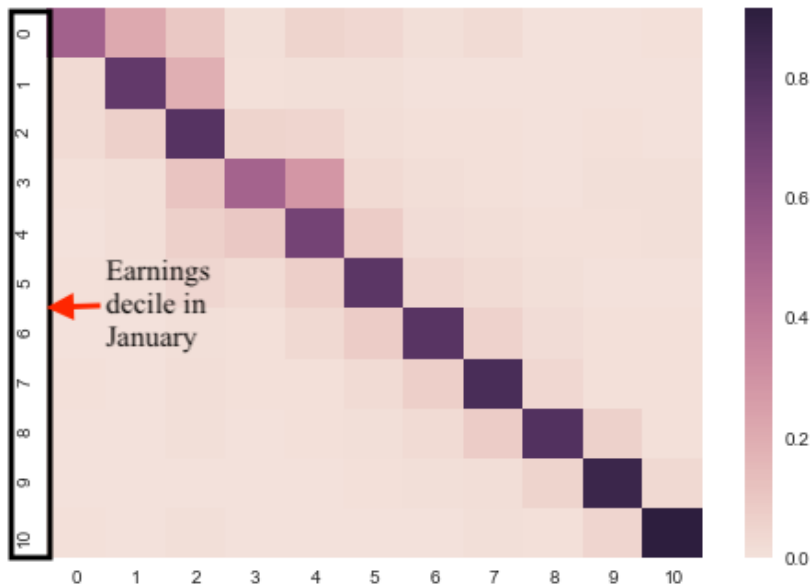


Average incomes dropped across the distribution.

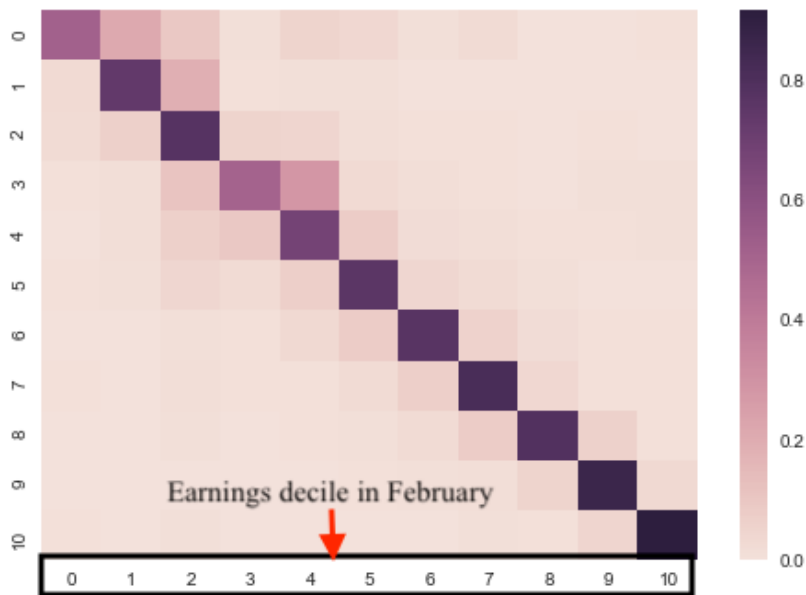
Income change from January to February in the US



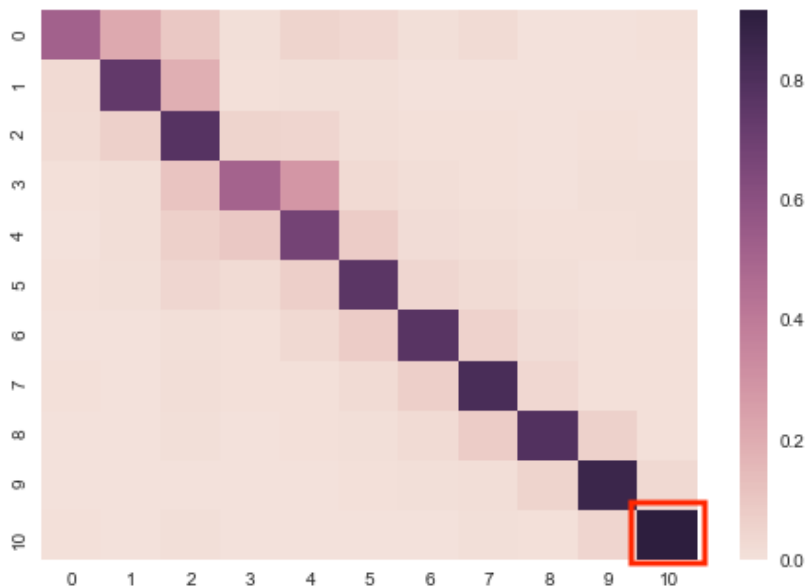
Income change from January to February in the US



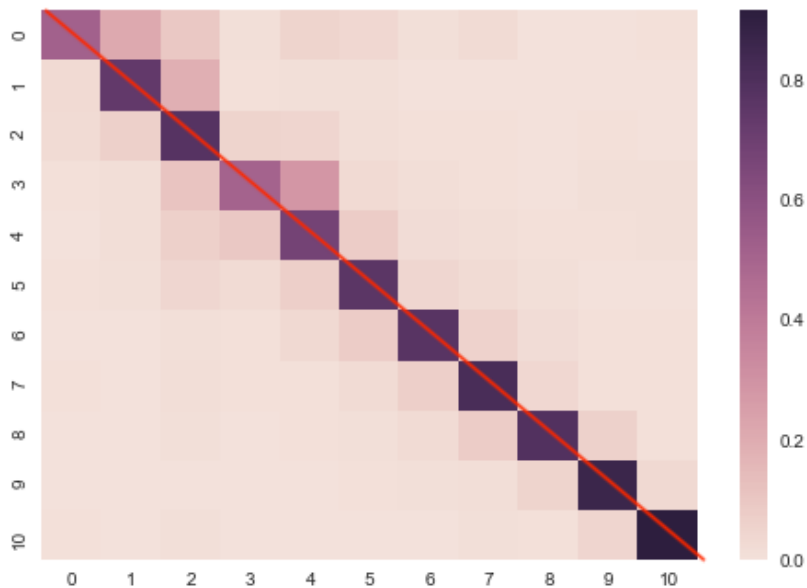
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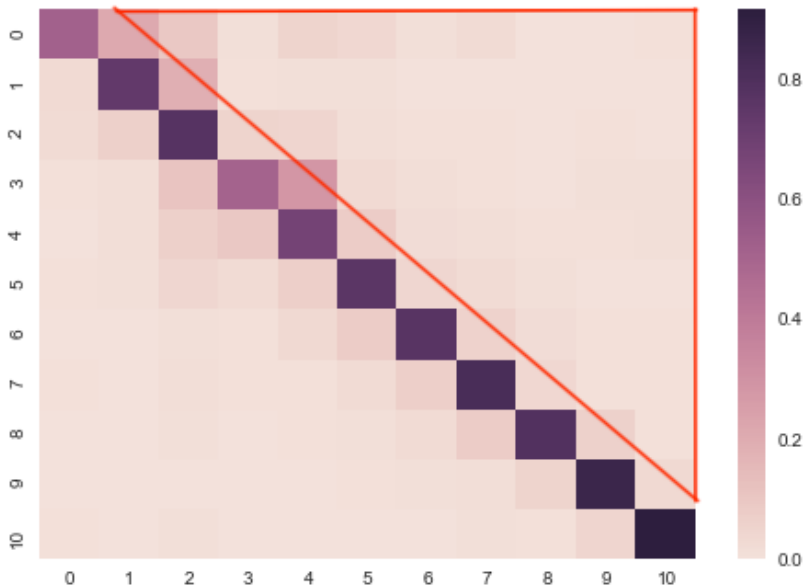
The rich stay rich



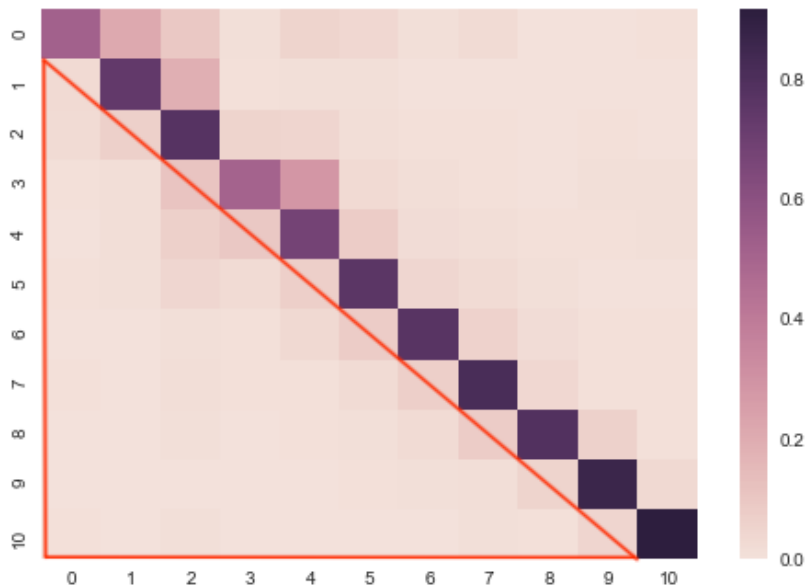
Stay in same income decile



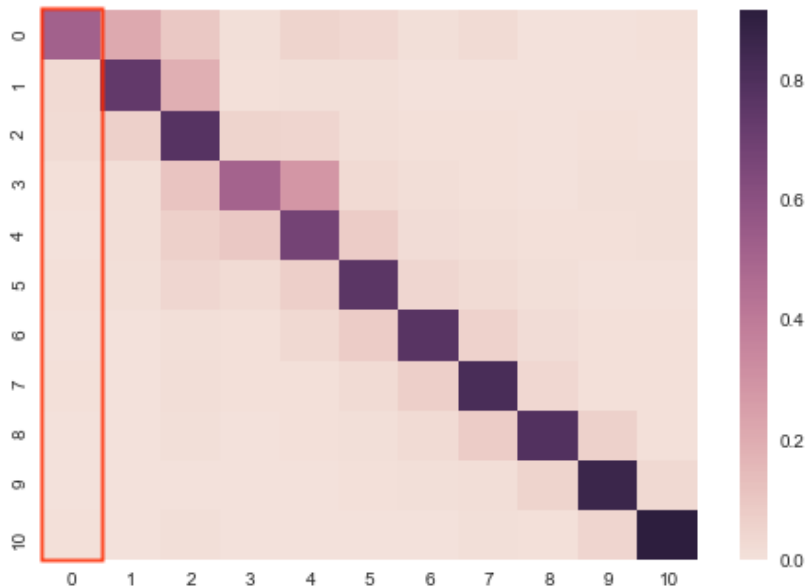
Upward mobile



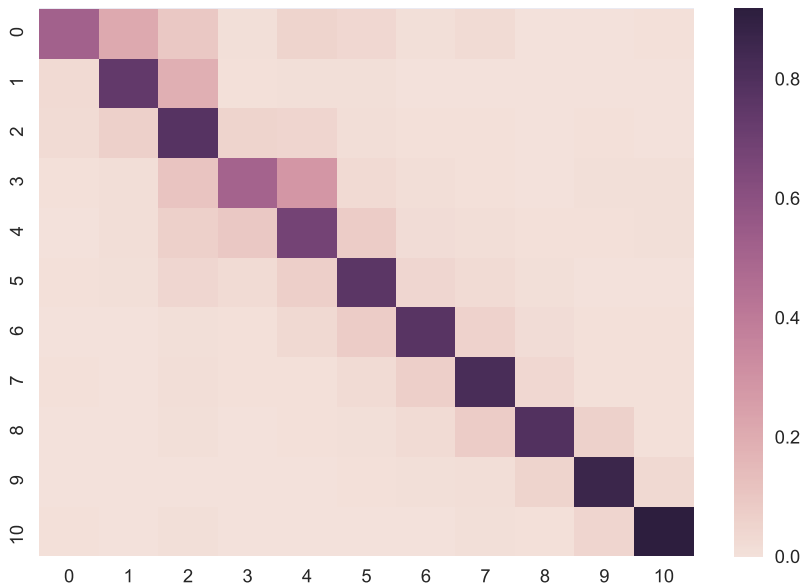
Downward mobile



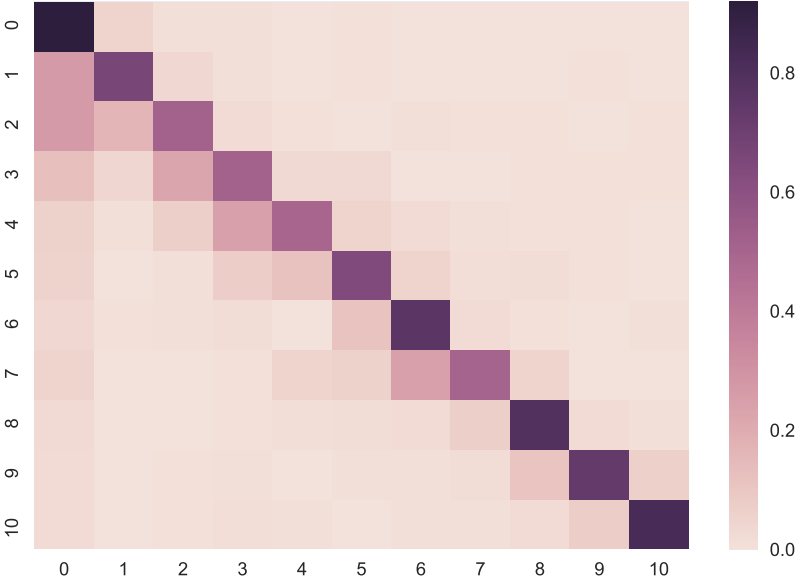
Drop to zero income



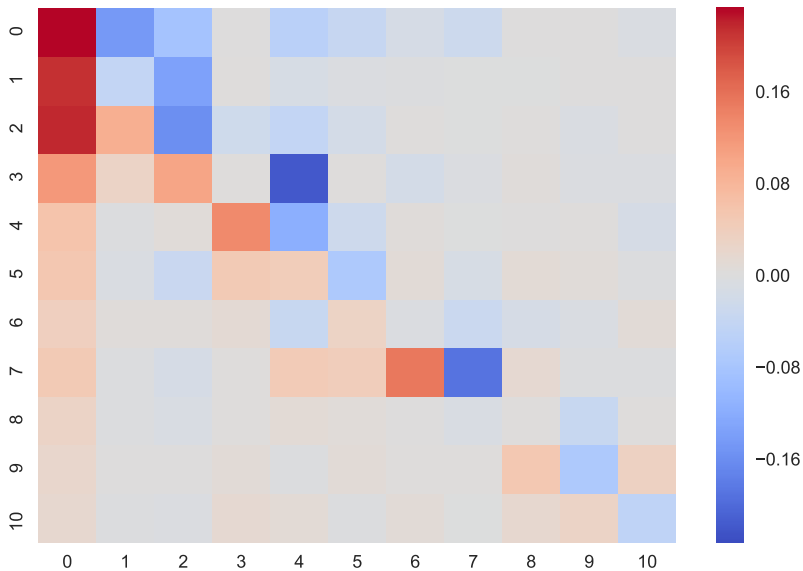
Income change from January to February in the US



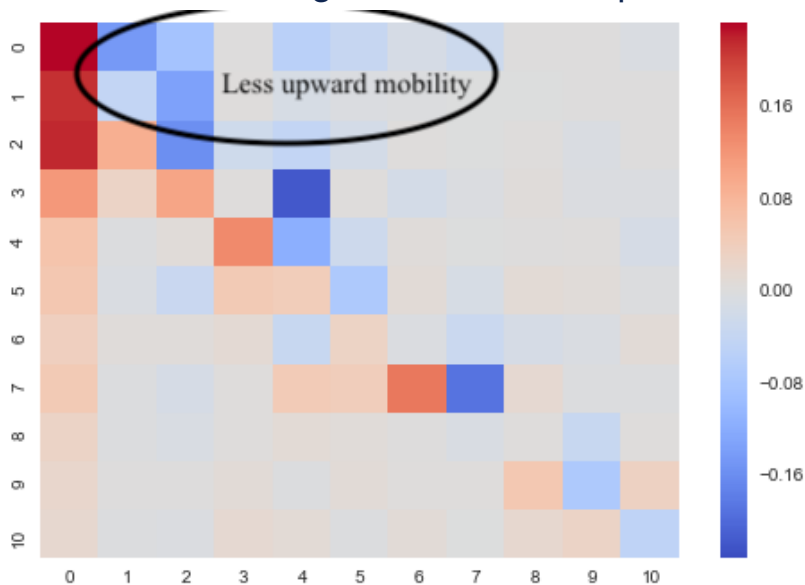
Income change from March - April in the US



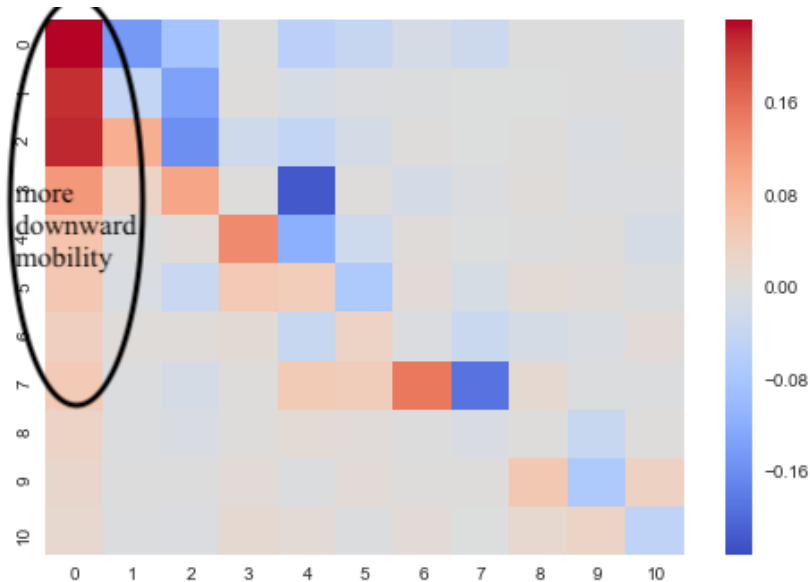
Relative income change from March - April in the US



Relative income change from March - April in the US

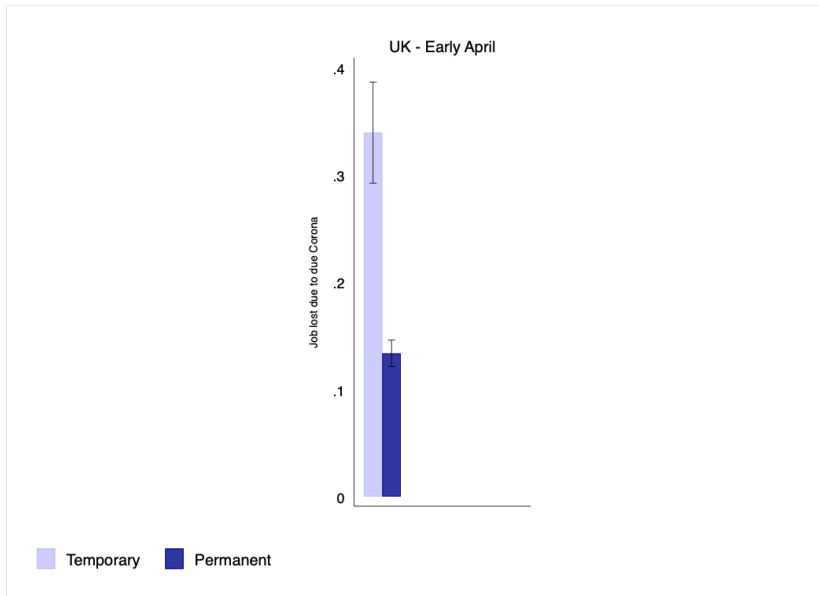


Relative income change from March - April in the US

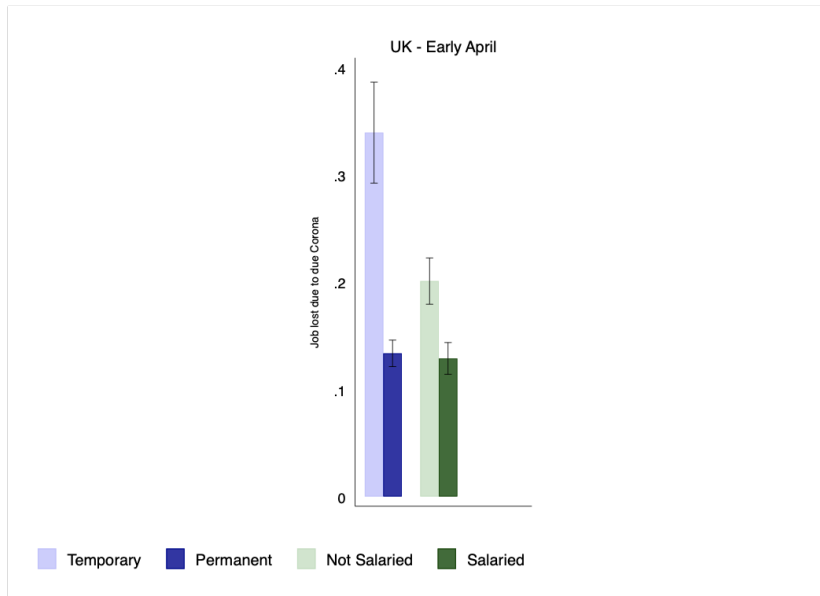


Unstable work arrangements

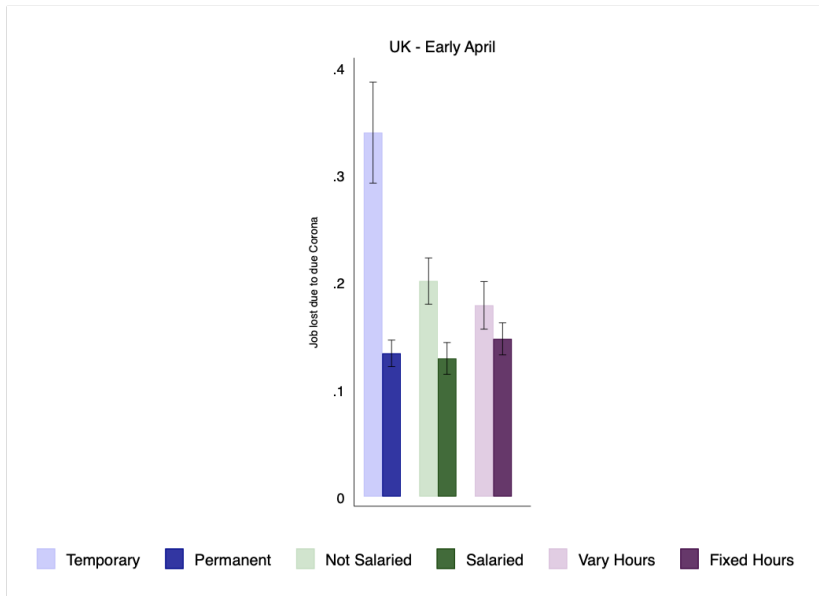
Unstable work relationships lead to more job losses



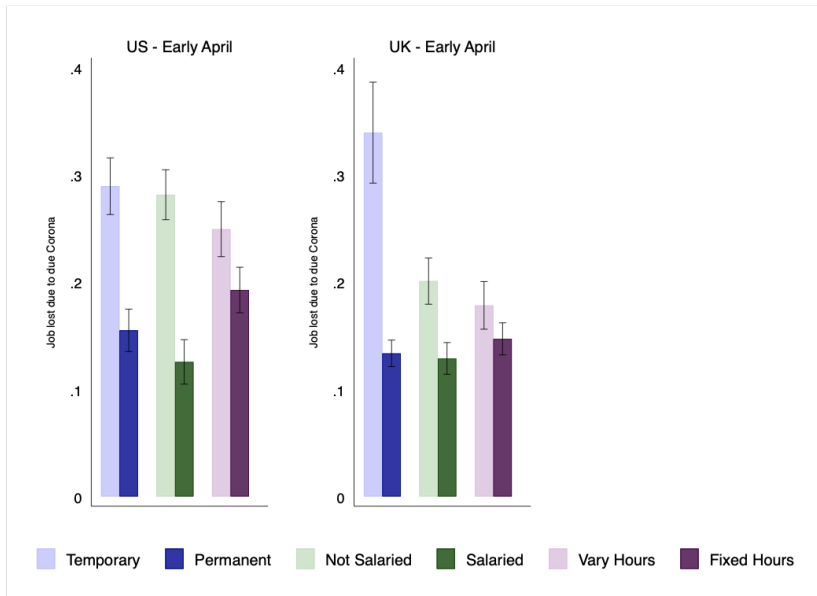
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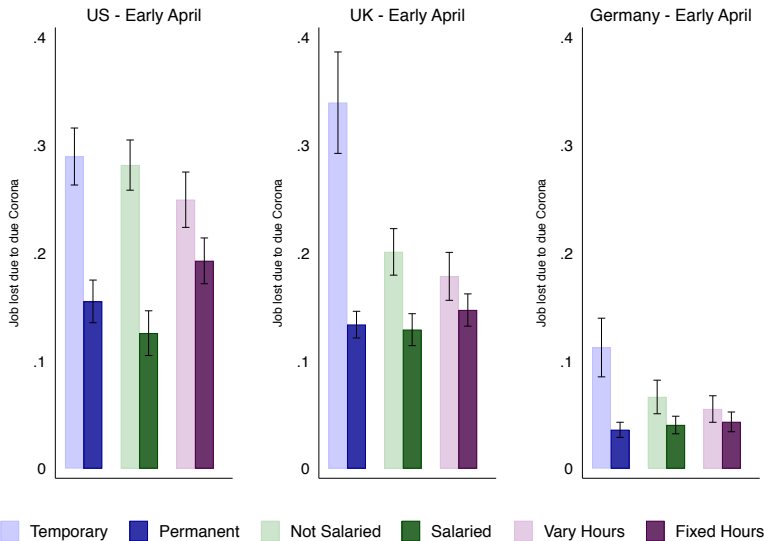
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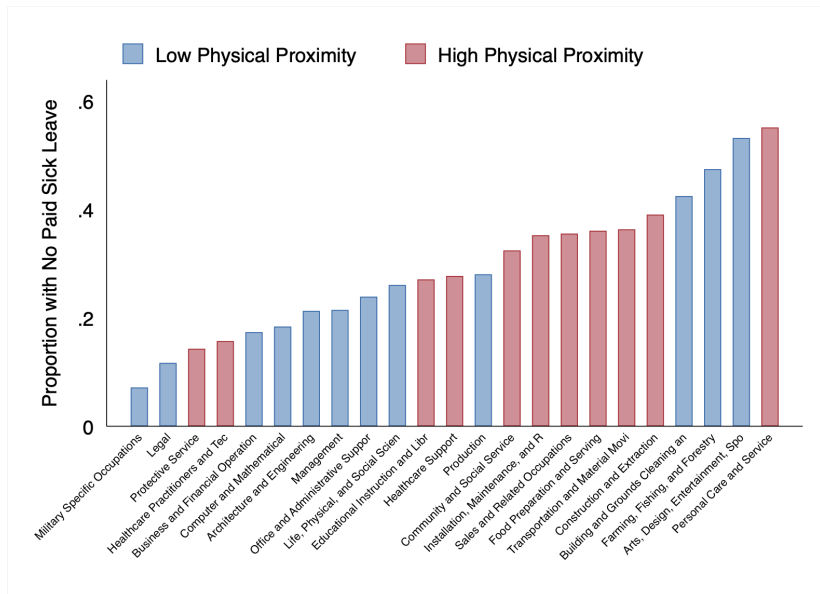
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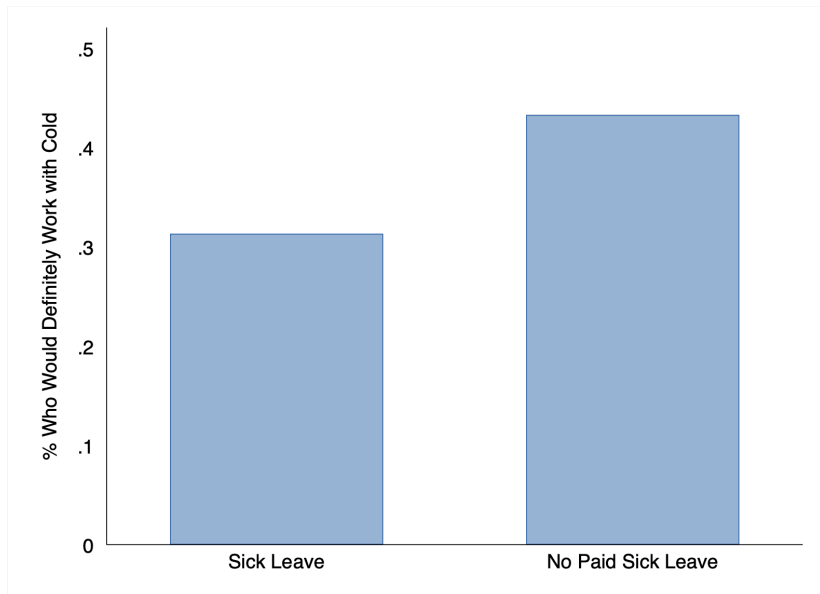
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Workers close to customers have less paid sick leave

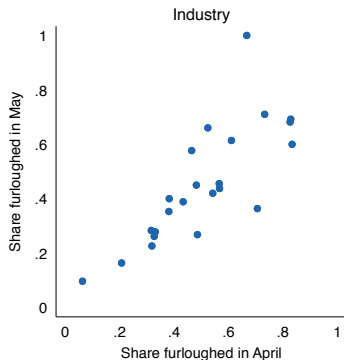
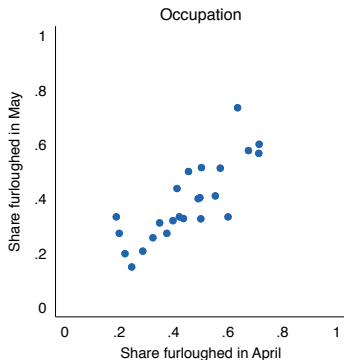


Who would work despite having a cold?



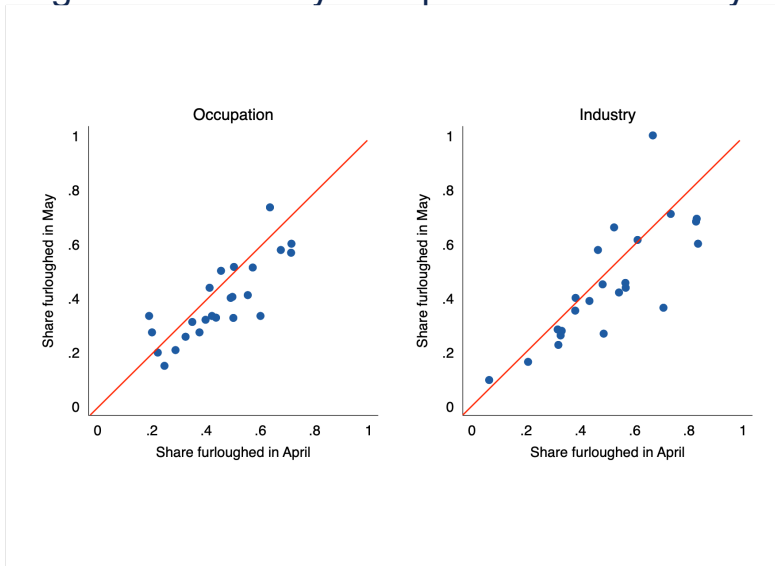
What has the UK government done to buffer
the shock to workers and firms?

Furloughed workers by occupation and industry



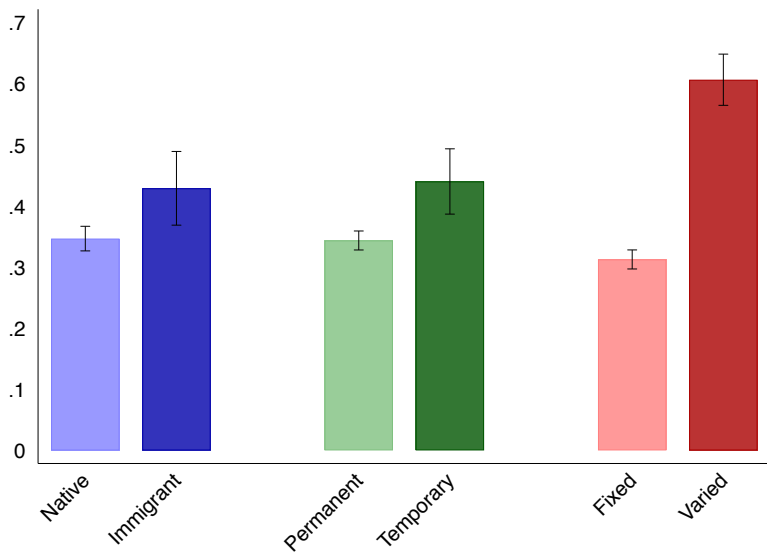
Large variation across occupation and industries.

Furloughed workers by occupation and industry



Large variation across occupation and industries stable over time.

More vulnerable more likely to be on furlough



Inequality in terms of who has been furloughed

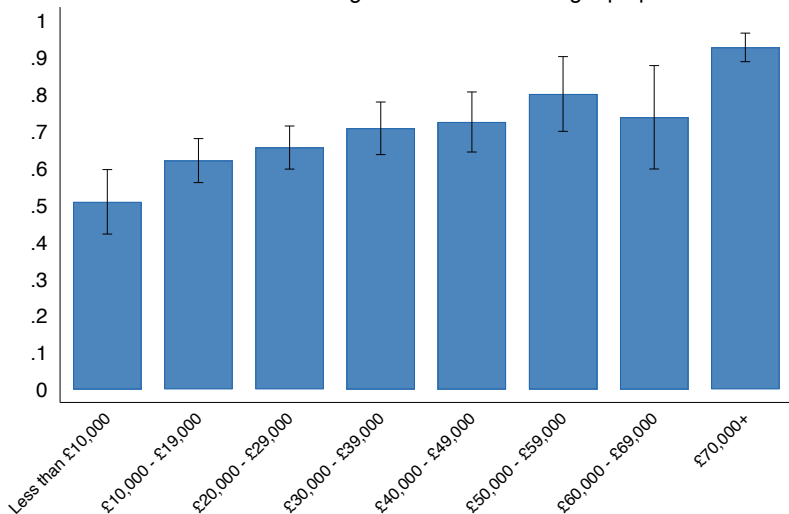
- ▶ Women 3 percentage points more likely to be on furlough.
- ▶ Likelihood of having been furloughed increases by 3 percentage points per child.
 - ▶ Could this have to do with schools and nurseries closing?

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High income more likely to have salary topped up

Share of furloughed workers receiving top up



Issues with furloughing scheme

- ▶ 70% of furloughed report working non-zero hours.
 - ▶ Those that have salary topped up work 5 hours more per week.
 - ▶ Those that work in a job that can be done from home work more hours.
- ▶ Being furloughed might be first step towards losing job. Furloughed workers much more likely to:
 - ▶ fear job loss
 - ▶ currently be searching for a job.
- ▶ Short-time work scheme would have been better suited for everybody (firm, worker, taxpayer, consumer)

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Moving forward

- ▶ Study the changing landscape of work
 - ▶ Working from home
 - ▶ Reallocation across sectors and industries
- ▶ What will happen when temporary schemes are withdrawn?
 - ▶ UK furloughing scheme set to expire in October

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