



INSTITUTE
OF THE MOTOR
INDUSTRY



Automotive UK labour market report

Release 1



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COVID19 – Automotive Sector UK Labour Market

Introduction

The aim of this report is to extract sector relevant analysis from the ONS UK labour market data release. Release 1 uses the July report which was released 16th July.

Summary of findings

- The number of jobs in the automotive sector has remained static in the most recent quarter but has fallen by 1% when compared to the same period last year.
- Jobs in the automotive sector have been falling for the past 5 years, albeit by less than 1%.
- Unemployment levels in the automotive sector has fallen by 2% in the past month but are up 5% on the same time period last year.
- Unemployment for men from the automotive sector has fallen by 8% in the past month but it has increased by 7% for women, indicating that perhaps Covid-19 has had a more detrimental effect on women in the automotive industries.
- Between Jan to Mar 2020 and Mar to May 2020 average hours worked by those in the automotive sector fell by 6 hours - a fall of 20%. Automotive has seen one of the largest falls in all sectors with only Construction and Accommodation and food services seeing larger % falls in the same period.
- The number of vacancies has fallen in all sectors however automotive has seen one of the most significant falls across all industries, down 92,000 (70%) now at the lowest levels since 2001.

Economic Indicators

The ONS UK labour market overview provides estimates of employment, unemployment, economic inactivity and other employment related statistics for the UK. This overview is produced monthly. Since the pandemic, the significance and awareness of this report has increased and as such has had much media coverage in the past week. The report uses over 80 data sets / sources and makes these available for use. For this analysis all data sets not already used elsewhere (for example: BIC wave used in current landscape reports) that are available to be broken down by industry sector have been analysed. These include:

- Employment [Workforce jobs by industry (seasonally adjusted)]
- Unemployment [Unemployment by previous industrial sector]
- Hours worked [Average actual weekly hours of work by industry sector]
- Vacancies [Vacancies by industry (seasonally adjusted)]

This report will now form a part of the IMI regular research reporting.

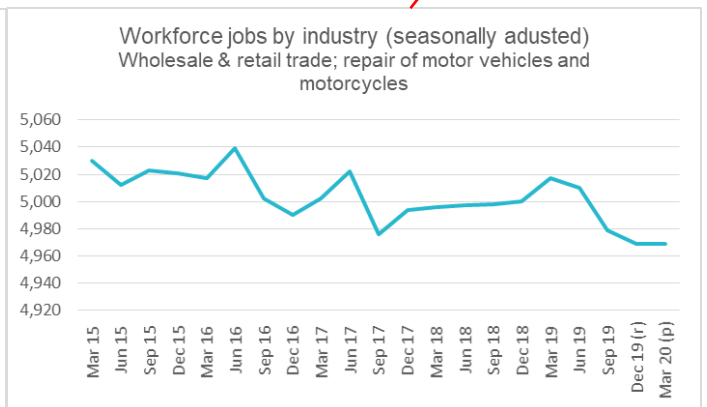
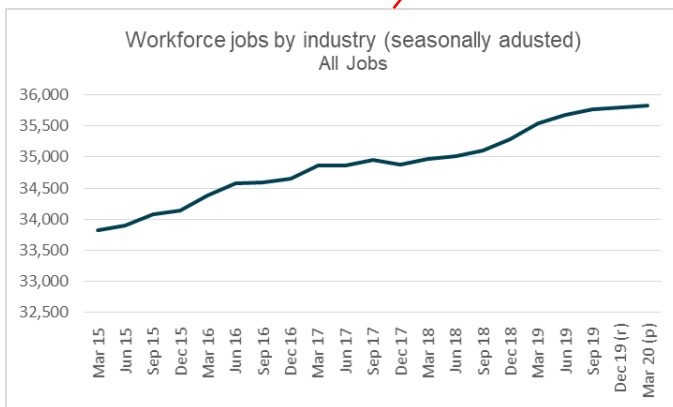
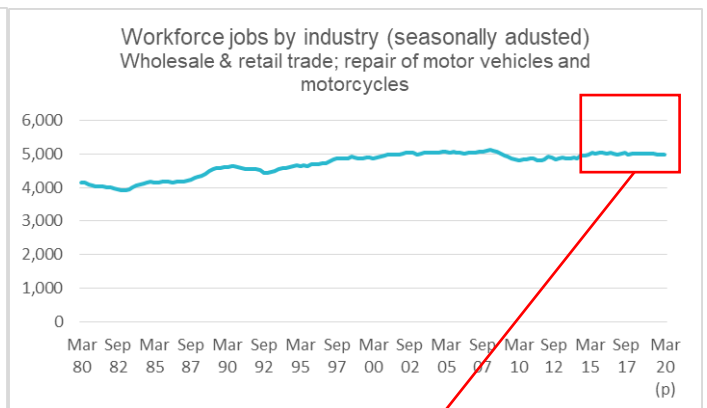
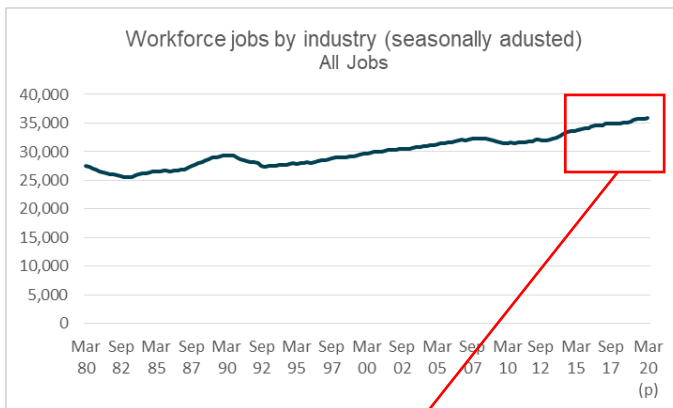
The analysis uses the ONS industry SIC code G - Wholesale & retail trade, repair of motor vehicles and motorcycles.

Employment

The following uses dataset **workforce jobs by industry (seasonally adjusted)** taken from Employer surveys, Labour Force Survey. The data is a quarterly dataset and has been recorded since 1978, the most recent data is from March 2020.

All Jobs
35.83m
workforce jobs
March 2020

Automotive Jobs
4.96m
workforce jobs
March 2020



	% Change
Last quarter	0.1%
Same quarter last year	0.8%
Year average	1.5%
Year average past 5 yr	4.8%

	% Change
Last quarter	0.0%
Same quarter last year	-1.0%
Year average	-0.4%
Year average past 5 yr	-0.7%

- There has been no change in the number jobs within the automotive sector in the past quarter, compared to all jobs which increased marginally by 0.1%.
- Comparing the same time period, the number of jobs in the automotive sector has fallen by 1% in the past year, compared to all jobs which has increased by 0.8%.
- The number of automotive jobs in the past 5 years has been falling.

Unemployment

The following uses dataset **All and long-term unemployment levels by industry of last job (not seasonally adjusted)** taken from Employer surveys, Labour Force Survey and administrative sources. The data is a monthly dataset and has been recorded since 1995, the most recent data is from May 2020. This data set is also split by gender.

164k

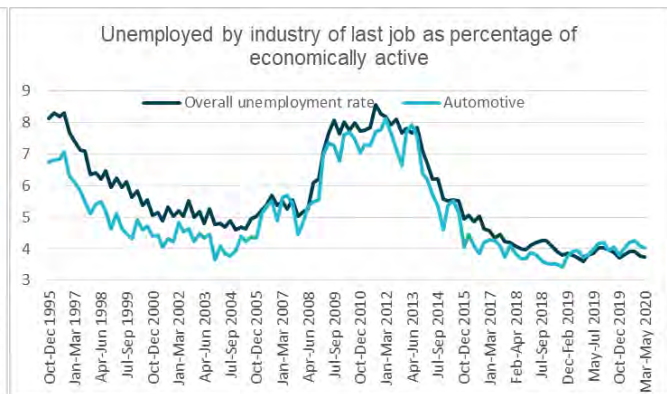
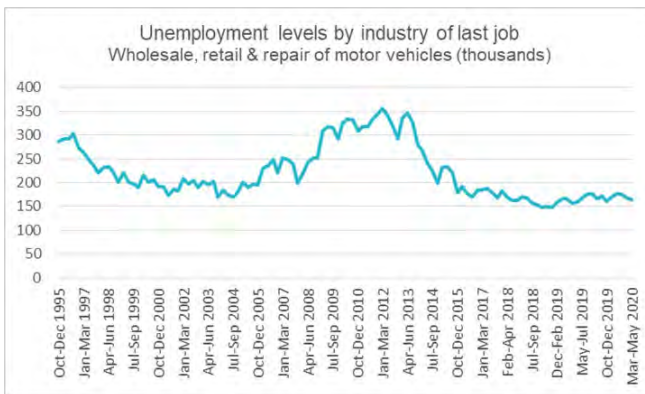
Unemployed last job
automotive
March-May 2020

3.74%

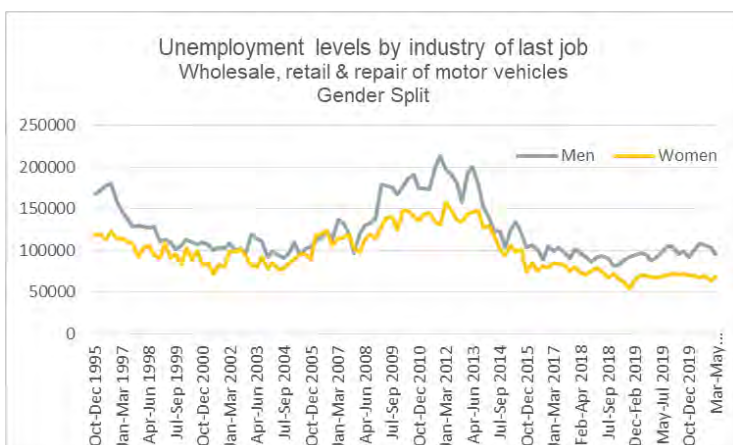
Unemployment rate
March - May 2020

4.04%

Automotive percentage
of economically active
March – May 2020



- In March to May 2020 approximately 164,000 who were unemployed stated that their last job was in automotive.
- Unemployment levels in automotive has fallen by 2% in the past month but are up 5% on the same time period last year.
- Comparing the unemployed in automotive as a percentage of economically active to the overall unemployment rate, automotive is slightly higher 4.04% compared to 3.74%



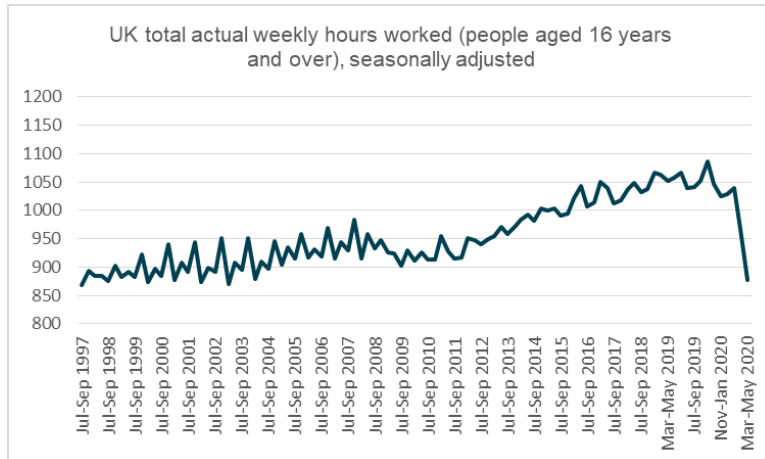
Those unemployed whose last job was in automotive, 58% (95,557) are men and 42% (68,806) are women.

Unemployment for men from automotive has fallen by 8% in the past month but it has increased by 7% for Women.

Comparing the same period last year, unemployment is up for both men and women but at a more significant rate for Men (9%), compared to 1% for Women.

Hours worked

The following uses dataset **Average actual weekly hours of work by industry sector (HOUR03)** taken from Employer surveys, Labour Force Survey and administrative sources. The data is a monthly dataset and has been recorded since 1997. The most recent data is from May 2020. This data set is also split by gender.

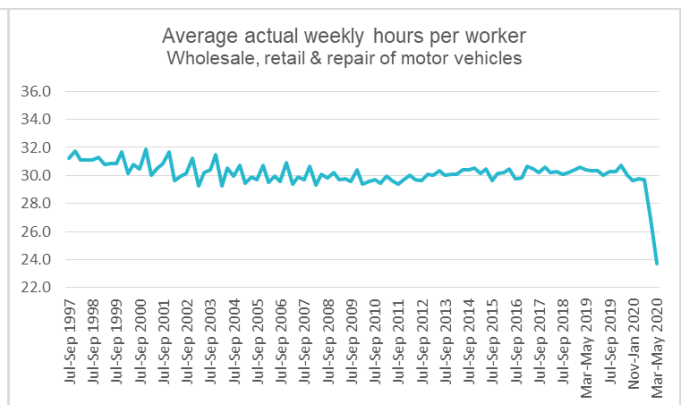
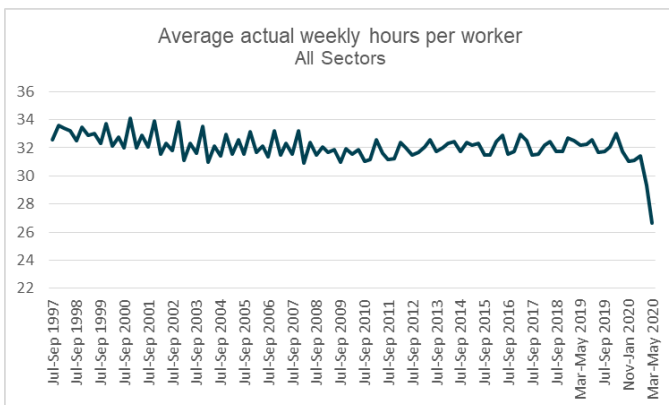


The UK has seen the largest annual decrease in total actual weekly hours on record.

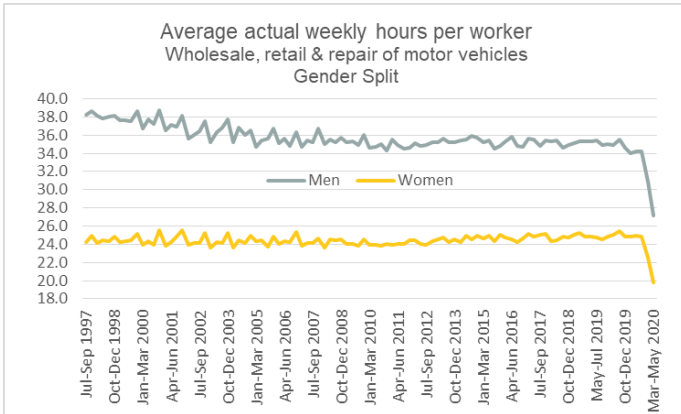
Between March to May 2019 and March to May 2020, total actual weekly hours worked in the UK decreased by 175.3 million, or 16.7%, to 877.1 million hours. This was the largest annual decrease since estimates began in 1971, with total hours dropping to its lowest level since May to July 1997.

All Jobs
26.7
Ave worker hours per week
March-May 2020

Automotive Jobs
23.7
Ave worker hours per week
March-May 2020



- In March to May 2020 the average worker worked 26.7 hours in comparison to those in the automotive sector who on average worked 23.7 hours.
- Between Jan to Mar 2020 and Mar to May 2020 average hours fell by 4.7 hours - a fall of 15%. In the same time period, those who work in the automotive sector hours fell by 6 hours - a fall of 20%.
- Automotive has seen one of the largest falls in all sectors with only construction and accommodation & food services seeing larger % falls in the same period.



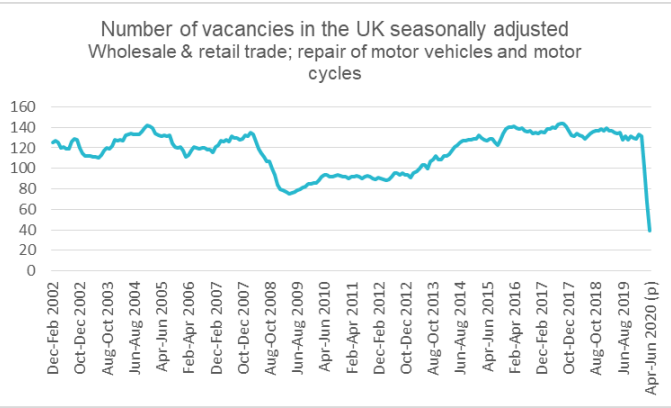
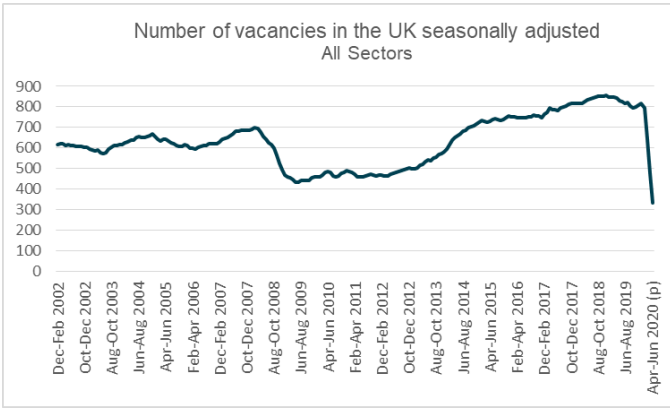
Men
Automotive Jobs
27.2
Ave worker hours per week
March-May 2020

Women
Automotive Jobs
23.7
Ave worker hours per week
March-May 2020

Between Jan to Mar 2020 and Mar to May 2020 average hours worked by men in the Automotive sector fell by 7 hours - a fall of 20.5%. In the same time period, Women's hours worked in the automotive sector fell by 5 hours - a fall of 20.3%.

Vacancies

The following uses dataset **Vacancies by industry (seasonally adjusted)** taken from ONS vacancy survey. The data is a monthly dataset and has been recorded since 2005. The most recent data is from June 2020.



- For April to June 2020, there were an estimated 333,000 vacancies in the UK, the lowest level since the Vacancy Survey began in April to June 2001. This is 497,000 (59.9%) fewer than a year earlier and 463,000 (58.1%) fewer than the three months prior to March 2020. These are the largest annual and quarterly falls in the history of the data time series.
- There are quarterly decreases in all sectors however automotive has seen one of the most significant falls - 92,000 (70.0%).

Data Sources

ONS data sets:

- A01 Labour market statistics summary data tables – Released July 16th 2020.
- HOUR03: Average actual weekly hours of work by industry sector - Released July 16th 2020.
- UNEM03: All and long-term unemployment levels by industry of last job - Released July 16th 2020.