

# CORONAVIRUS BUSINESS IMPACTS TRACKER

22 July 2020



The British Chambers of Commerce Coronavirus Business Impacts Tracker (CBIT) is the UK's largest independent business survey tracking economic conditions on a fortnightly basis. In the latest tranche of data collection (6 - 10 July 2020), 750 businesses responded. 97% of the respondents were SMEs, 74% were in the service sector, and 26% were manufacturers.

## LIMITED CAPACITY



53%

average percentage of capacity firms are operating at compared to before Covid-19

## OBSTACLES TO RESTART



54%

of firms identified customer demand as a 'major obstacle' to restarting operations



52%

of firms identified possible future lockdowns as a 'major obstacle' to restarting operations

## PART-TIME FURLOUGH



31%

of firms have furloughed staff on a part-time basis

13%

of B2C firms have furloughed staff on a part-time basis

## REDUNDANCIES EXPECTED



13%

of firms have made staff redundant since the start of the pandemic

33%

of firms will make staff redundant in the next 3 months



"The furlough scheme has been an important lifeline to millions of people, but the fear is there will be a sudden rise in unemployment after that umbilical cord has been severed. With one third of companies planning redundancies over the next three months, we will likely see a scramble for available roles as the labour market becomes heavily supplied with people looking for work.

**Jack Kennedy, economist at global job site Indeed**



"Our findings demonstrate that the UK's economic restart is still very much in first gear.

"The time has come for the government to take radical steps to slash the tax burden around employment to help companies pay valued staff, rather than the Revenue. A major boost to the Employment Allowance, and an increase in the threshold for employers' National Insurance contributions, should both be in the Chancellor's sights if he wants to help viable companies save jobs as the furlough scheme comes to an end."

**Adam Marshall, Director General of the British Chambers of Commerce**

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