

## Written evidence submitted by Indeed

*Terms of Reference section: Economy, public finances and monetary policy.*

### 1. Introduction and reason for submitting evidence

- 1.1 Online job postings are one of the most timely indicators of labour market performance. Indeed is the UK's largest job site with almost 25 million visits in April 2020 and over 500,000 new jobs added in Q1 2020. Data from Indeed provide almost real-time updates on employer hiring intentions, which act as an early indicator of the labour market and can help guide policymakers<sup>1</sup>.
- 1.2 Indeed's economic research team, the Indeed Hiring Lab, publishes regular research on labour market trends. Indeed data and research are covered by top-tier media and are shared regularly with UK and international government organisations.
- 1.3 We are pleased to submit evidence on the performance of the UK labour market to the Treasury Committee in response to the call for evidence issued on 18 March 2020, based on the most recent trends observed on our platform.

### 2. Question: What will be the economic impacts of the coronavirus outbreak and the social distancing measures in terms of sectors and regions and how temporary/permanent will they be?

- 2.1 In this section we discuss the impact of the crisis on overall vacancy trends, as well as trends by sector and region. We show which sectors are beginning to see growth in hiring activity and which ones continue to see declines.

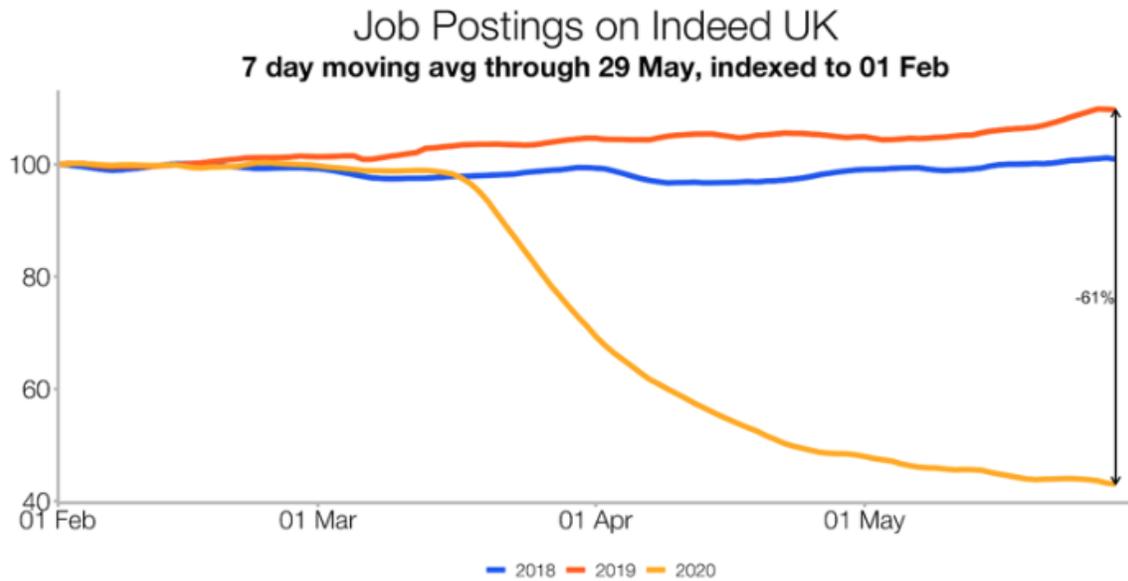
#### *Overall vacancy trends*

- 2.2 Job postings on Indeed fell sharply during the period in which social distancing measures have been in place. Data up to 29th May show overall job postings down - 61% on last year's trend, compared with -59% the previous week and -54% at the start of May (figure 1).
- 2.3 While job postings are currently falling at a slower rate than at the start of the crisis, we are not seeing growth. This means that the reopening of certain businesses and sectors of the economy has not yet led to an increase in the total number of job opportunities available to UK jobseekers. Reasons for this may include employers bringing back employees from furlough or increasing the hours of employees whose hours had been reduced, before increasing the hiring of new staff.

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<sup>1</sup> Bank of England Monetary Policy Committee May 2020 meeting minutes p8:  
<https://www.bankofengland.co.uk/-/media/boe/files/monetary-policy-summary-and-minutes/2020/may-2020.pdf?la=en&hash=A4E7A06A5CB3ABF8B4F8A28BAF66A92E9DA9864E>

Figure 1: Job Postings on Indeed UK

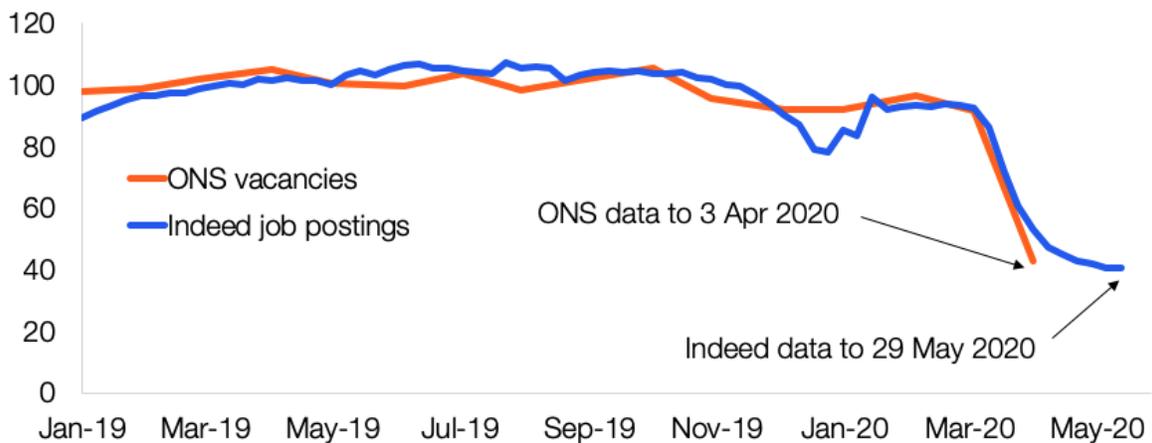


2.4 Official estimates of vacancies only currently cover the initial period of the lockdown, though they are also showing a sharp slowdown. ONS data, estimated from business surveys, showed that vacancies plummeted by more than half in the month to April 3, mirroring the downturn signalled by the weekly Indeed data (figure 2).

Figure 2: Indeed Job Postings vs ONS Vacancies

**Job postings have fallen by more than half since February**

**ONS vacancies (monthly) vs. Indeed job postings (weekly)**  
(Index, 2019 avg = 100)



Source: Indeed, ONS  
Indeed job postings are weekly counts. ONS vacancies are monthly estimates from business surveys.

*Which sectors are doing best?*

- 2.5 Indeed job postings data can be broken down by occupational category, providing insight into which sectors are faring better or worse in the crisis. Unsurprisingly, the data indicate that healthcare occupations have generally held up best during the crisis. The hardest hit occupations have been in sectors of the economy facing the most severe restrictions, such as food preparation & service, hospitality and tourism and beauty & wellness (postings in these categories remain c85-90% down on last year's trend - see figure 3).

*Figure 3: Job Postings Trend by Selected Occupations*

## Healthcare jobs have held up best

### Job postings trend on Indeed as of 29 May 2020 (vs. same day in 2019)

Select occupations	Change in job postings trend
<b>Smaller than average declines</b>	
Nursing	-15%
Physicians & Surgeons	-29%
Personal Care & Home Health	-29%
Medical Technician	-30%
Community & Social Service	-31%
<b>Declines similar to economy average</b>	
Accounting	-58%
Management	-61%
Retail	-67%
<b>Larger than average declines</b>	
Construction	-76%
Sports	-79%
Beauty & Wellness	-86%
Hospitality & Tourism	-88%
Food Preparation & Service	-89%

Source: Indeed

- 2.6 It is difficult to predict which sectors and occupations will recover fastest, due to factors such as changes to lockdown restrictions and policy measures such as the Coronavirus Job Retention Scheme, but we can monitor week-to-week changes in job postings to determine which areas are rebounding as restrictions are eased (figure 4). In the week to 29 May, real estate saw the strongest improvement following the resumption of activity in the property market. In second place was nursing, followed by cleaning & sanitation, customer service and security & public safety. Some of the hiring in those categories is likely to reflect the need to adjust to new social distancing guidelines, as more types of business are allowed to reopen.
- 2.7 At the other end of the scale, the largest weekly declines in hiring activity trends were in the therapy, medical technician, physicians & surgeons, community & social service and personal care & home health categories. These have generally been among the most

resilient sectors during the coronavirus crisis, but the latest data suggests hiring in these areas may have now peaked.

*Figure 4: Weekly Change in Job Postings Trend by Selected Occupations*

Weekly change in hiring activity  
**Indeed UK job postings: 2020 vs 2019 % gap in trend through 29 May**

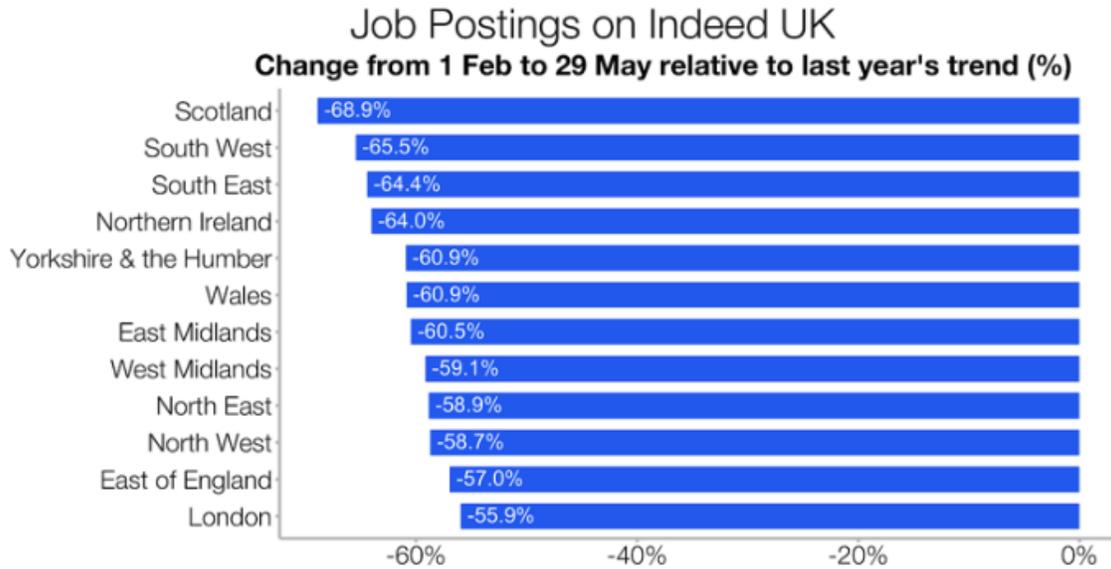
Occupation	Weekly change in gap in trend (% points)
<b>Hiring activity improving most</b>	
Real Estate	4.1%
Nursing	2.5%
Cleaning & Sanitation	1.0%
Customer Service	0.9%
Security & Public Safety	0.7%
<b>Hiring activity weakening most</b>	
Therapy	-4.2%
Medical Technician	-5.1%
Physicians & Surgeons	-5.1%
Community & Social Service	-9.0%
Personal Care & Home Health	-11.9%

Source: Indeed

*What are the regional differences?*

- 2.8 No region has escaped the sharp slowdown in hiring. The largest decline in job postings has been seen in Scotland (-69%), followed by the South West (-66%). At the other end of the scale, London and the East of England have seen the slowest declines, albeit with job postings having declined by more than 50% compared with last year's trends (figure 5).

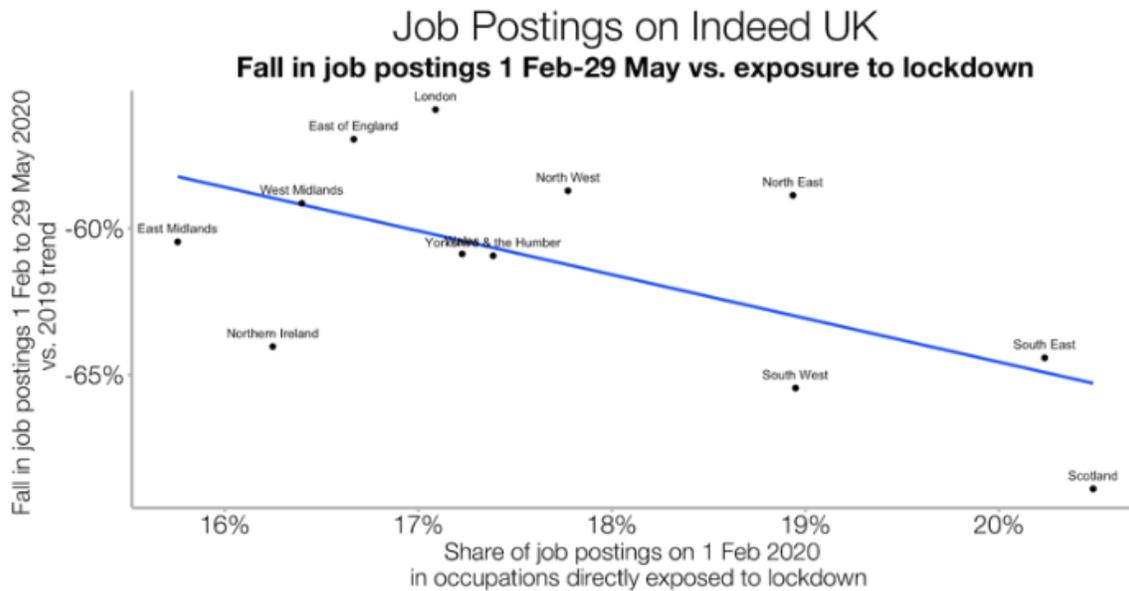
Figure 5: Job Postings Trend by Region



Source : Indeed

- 2.9 Scotland’s decline may in part reflect its relatively high share of jobs directly exposed to shut down sectors (retail, hospitality & tourism, aviation, food preparation & service, customer service, beauty & wellness and sports). At the beginning of February, Scotland had a 20.5% share of Indeed job postings in these sectors, the highest across the UK (figure 6).

Figure 6: Regional Job Postings vs Direct Exposure to Lockdowns



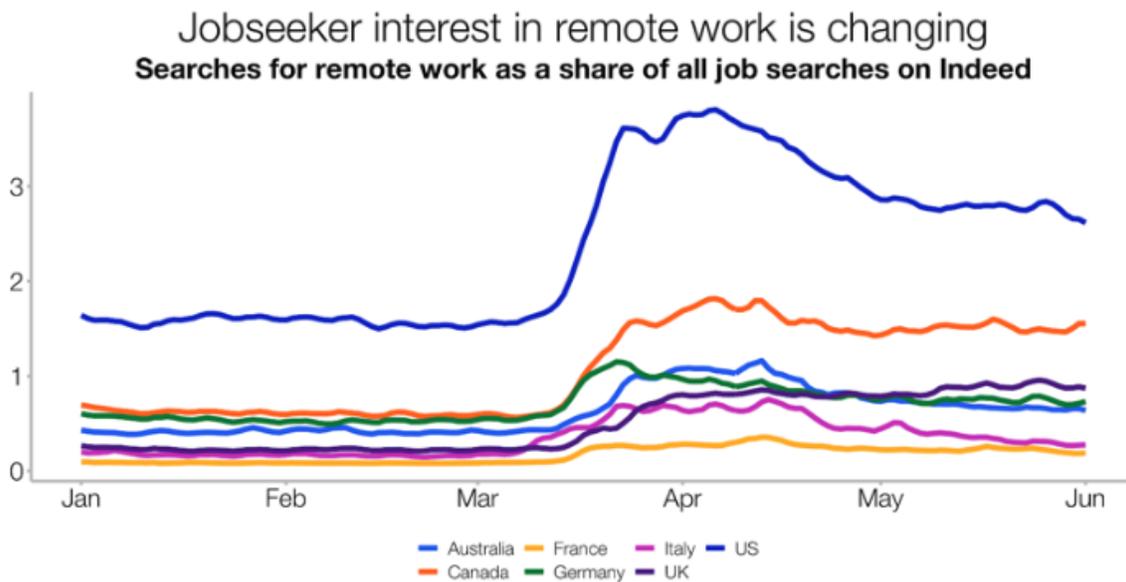
Source : Indeed

**3. Question: What are the lessons that society can learn for the future e.g. reducing carbon emissions, increased home working, business resilience?**

3.1 Indeed data also provide insight on jobseekers' search behaviour. While there are many lessons for the future, one trend we would like to highlight is jobseeker interest in remote working opportunities during the crisis. Since mid-March, searches in the UK for keywords related to working remotely or from home have increased 221% as a share of all searches on Indeed since early January. This mirrors increases seen in other countries, as shown in figure 7.

3.2 We will be monitoring the data to see whether these trends are sustained even after restrictions are eased. Survey data from the ONS indicated that 44% of adults in employment said they had worked from home at some point during the week to 3 May<sup>2</sup>. Among those who were unable to work from home before the crisis, some may be keen to do so more in future. We've seen a corresponding rise in the number of job postings mentioning remote work - partly reflecting Indeed having recently added an explicit prompt asking employers whether the job can be done remotely. This increases transparency for jobseekers, many of whom are interested in remote working opportunities.

*Figure 7: Jobseeker Searches for Remote Work*



Source: Indeed. 7-day moving average. Last data point: 1 June 2020.

*June 2020*