



**WIG**

The Whitehall & Industry Group  
connecting the sectors



# 'Economic Growth & Prosperity' Series

## The Economic Landscape after COVID-19

with Mark Gregory, Chief Economist, EY



### Expert Insight

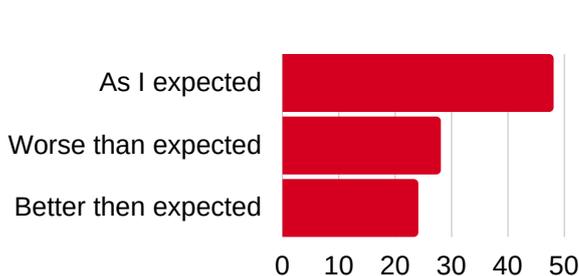
We were joined by Mark Gregory, Chief Economist at EY to as he discussed the impact that COVID-19 has had on the economy. Please find some of the discussion below:

- The economic shock is unprecedented in many ways, including the scale (20% fall in GDP, Mar-Apr) and wide variation by sector, with the worst hit shrinking by 97%.
- Overall, consumers are better-off than expected with the furlough scheme protecting incomes. Data shows consumer spending falling faster than consumer incomes, suggesting people are saving more.
- Estimates show 40% of the workforce in receipt of government support, with 2.9m people unemployed, 8.9m registered on the furlough scheme, and 2.9m self-employed receiving support.
- Across the world there have been considerable behavioural changes that are expected to continue into the future, with consumers more likely to shop online, work from home, adopt a healthier work-life balance and diet, and reconfigure their spending and travel habits.
- Monetary policy is likely to remain supportive, with low interest rates, intervention from the BoE, and costs of low-cost government financing.
- In comparison to other European countries, operating at 80-90% of pre-lockdown levels, the UK is only at 60%, with the economy at the end of 2020 likely to be 8% smaller. On the current trajectory, a U-shaped recovery is most likely

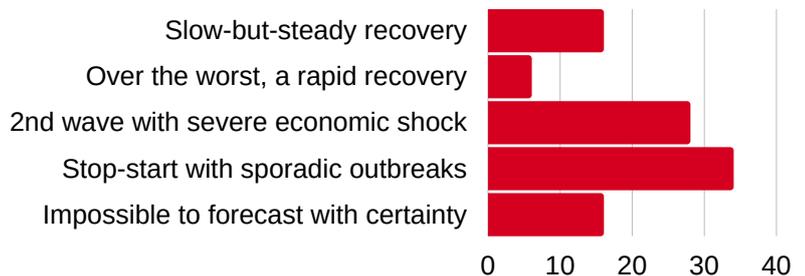
### Audience Opinion

Over 150 attendees from the breadth of our cross-sector membership listened in, we asked them:

**How do you feel the economy has performed since lockdown began?**



**Looking forward, what is your view on economic recovery?**



### Our Members' Questions

Our members raised some challenging questions to be answered, some of the big issues raised included:

- The role of skills in attracting investors, and how this will feature in the UK's economic recovery
- The cumulative impact of COVID and Brexit, which each affect different parts of the economy
- The key differences between the COVID-19 crisis and the financial crisis of 2007-08

WIG members can listen to Mark's presentation [here](#)  
To see our full programme of webinars, visit [www.wig.co.uk](http://www.wig.co.uk)