



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

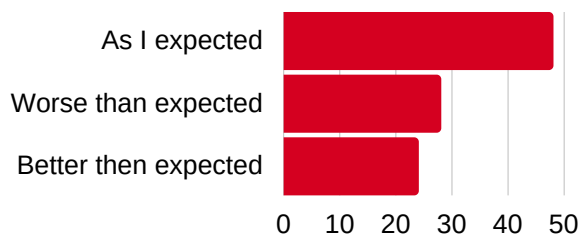
We were joined by Mark Gregory, Chief Economist at EY to as he discussed the impact that COVID-19 has had on the economy. Please find some of the discussion below:

- 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

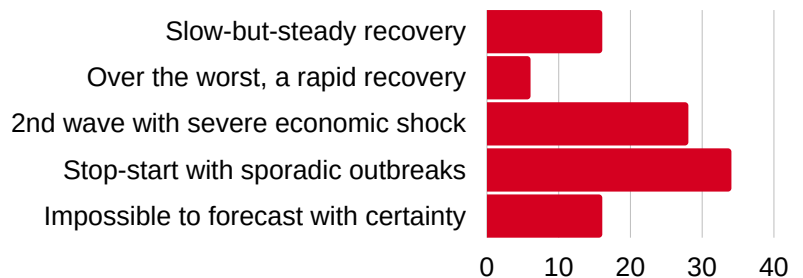
Audience Opinion

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