## Is the first feedback on employment and working methods during lockdown consistent with assessments of global activity?

Two data sources can be used to start quantifying the impact of the lockdown on employment and working methods: the "Acemo-Covid" survey by DARES of private sector companies with 10 or more employees, and the first feedback from administrative sources on the use of short-time activity. These data and assessments are consistent with the hypothesis of an economy operating at about 2/3 capacity, all sectors combined, with a more significant decline for the market sector.

Lockdown has divided the active population into five main working situations: people who continue to work at their usual place of work, people who are in lockdown but are teleworking, people who are in lockdown and who are officially still employed but who are on short-time activity or short-time working, those who are on leave to look after their children because schools have closed, and other types of leave such as sick leave, etc. Lockdown may also have resulted in an increase in the number who are officially unemployed or inactive, although the short-time activity scheme is intended to limit this phenomenon as far as possible. Lockdown has also resulted in a substantial slowdown, or even a complete halt placed on hirings or contract renewals. What information is available to quantify these different phenomena? Is it consistent with the figures for global economic activity presented since 26 March in INSEE's first three Points de Conjoncture?

**First results at company level**

Activity and employment conditions can be observed by surveying employers or households. At this time, we do not yet have sufficient data from official statistics with which to measure the effects of lockdown from the point of view of households: these data will only start to become available in the next few weeks (*Box*).

Concerning employers' point of view, under normal circumstances this is monitored by the Acemo survey (Labour force activity and employment conditions) carried out by DARES. This quarterly survey of enterprises with ten or more employees in the market sector excluding agriculture covers about 15 million employees. In the context of the Covid-19 crisis, this quarterly survey has been replaced by a monthly survey, called "Acemo-Covid", developed with the assistance of INSEE in a very short time. The first wave of data was collected online between 1st and 10 April, and the results published on 17 April. Enterprises replied to 15 questions relating to their situation at the end of March: activity, changes in employment, recourse to different schemes in order to manage under-activity, and also measures to protect employees working on site.

Within its scope, the survey first reports a low rate of redundancies. Eleven percent of employees were working in a company whose workforce had decreased due to the crisis, but this had been due mainly to postponing or cancelling hirings and not renewing fixed-term contracts.

Companies that reported that the crisis had not affected changes in their workforce accounted for 85% of employment in the scope of the survey, those who said that their workforce had increased represented 3%. ACOSS's Economic Barometer of 22 April confirmed the decline in recruitment: the number of declarations of hirings of more than one month in all sectors, excluding temporary employment, fell back by 22.6% in March.

For current employees (*Table*), the Acemo survey estimates that about one quarter of staff are working on site, one quarter are working remotely, another quarter are on short-time activity or short-time working and the rest of the population corresponds to the different types of leave, with a tiny proportion of employees having exercised their right to opt out. Presence on site or remote working are more widespread in the larger companies, and they also have less recourse to the use of short-time activity schemes.

Results by sector are in line with expectations, with a massive use of short-time activity or short-time working schemes in accommodation-catering (IZ), automobiles (C4) and construction (FZ), on-site working still accounts for more than 50% of employment in the manufacture of foodstuffs (C1) and the use of remote working also accounts for more than half of employees in information and communication (JZ) and in financial and insurance activities (KZ).

When interpreting these percentages and comparing them with estimates of a decline in activity, there are many factors to take into account:

• the fact that the percentages published by DARES are obtained from responses where workforce numbers are broken down into broad tranches, which can affect their accuracy;

• the fact that the point of reference in terms of volume of work is not a situation with the entire occupied labour force at work on site. According to the Labour Force survey, in a normal week in March, excluding school holidays, there are already 7% of the occupied labour force who are not working in that week;

• the difference in scope between the two estimates. For the global economy, INSEE reports a drop of 35% in activity; this figure is 49% for a scope as close as possible to that used by Acemo, that of the non-agricultural market sector and excluding rents for the real estate sector, however, this adjustment does not make up for the exclusion by the Acemo survey of companies with fewer than ten employees;

• finally, there is no reason why the figures should coincide, even after monitoring all the factors mentioned above, because the populations who are continuing to work or have stopped working do not necessarily have the same levels of productivity in normal times and also because the productivity of those who remain active may be affected upwards or downwards by current working conditions.

As these data stand, it is possible only to observe that they provide similar orders of magnitude, confirming the estimated drop in activity reported in INSEE's *Points de Conjoncture*.

**Table 1 - Conditions for carrying out professional activity according to the Acemo-Covid survey by DARES, data collected from 23 to 27 March**

| | Work on site or on building sites | Teleworking or remote working | Short-time activity or short-time working | Sick leave (including childcare) | Holi-day | Opt-out right |
|---|---|---|---|---|---|---|
| **All** | **27** | **25.3** | **24.7** | **13.2** | **9.3** | **0.5** |
| **By company size** | | | | | | |
| 10 – 19 | 22.4 | 18.2 | 40.6 | 9.7 | 8.5 | 0.5 |
| 20 – 49 | 25.5 | 20.3 | 33.7 | 10.8 | 9.2 | 0.5 |
| 50 – 99 | 29.2 | 22.9 | 26.6 | 12.1 | 9 | 0.3 |
| 100 – 249 | 27.9 | 26.7 | 23.2 | 13.3 | 8.6 | 0.4 |
| 250 – 499 | 27.7 | 28.1 | 19.7 | 14.4 | 9.7 | 0.4 |
| 500 or + | 27.9 | 28.6 | 18.1 | 15 | 9.8 | 0.6 |
| **By sector** | | | | | | |
| DE – Extractive industries, energy, water, waste treatment and decontamination | 38.1 | 29.7 | 9.8 | 12.7 | 9.6 | 0.2 |
| C1 – Manufacture of food products, beverages and tobacco-based products | 57.2 | 11.8 | 9.4 | 13.3 | 8.2 | 0.2 |
| C2 – Coke and refined petroleum | 27.8 | 46.7 | 0.9 | 17 | 7.5 | 0 |
| C3 – Manufacture of electrical, electronic, computer equipment; manufacture of machinery | 16.3 | 36.6 | 20.4 | 14.4 | 11.6 | 0.8 |
| C4 – Manufacture of transport equipment | 7 | 22.6 | 47.7 | 12.3 | 10.2 | 0.4 |
| C5 – Manufacture of other industrial products | 25.9 | 18.5 | 31.1 | 14.3 | 9.7 | 0.4 |
| FZ – Construction | 11.2 | 11.7 | 48.5 | 10 | 17.7 | 0.9 |
| GZ - Trade; repair of automobiles and motorcycles | 31.4 | 15.4 | 29.6 | 12.6 | 10.7 | 0.3 |
| HZ – Transport and storage | 36.2 | 12.6 | 20.1 | 18.9 | 11 | 1.3 |
| IZ – Accommodation and catering | 8.7 | 5.8 | 66.9 | 8.5 | 9.8 | 0.3 |
| JZ - Information and communication | 9.8 | 63.1 | 10.8 | 6.9 | 8.7 | 0.7 |
| KZ – Financial and insurance activities | 19.8 | 55.3 | 3.5 | 15.2 | 6.1 | 0.2 |
| LZ – Real estate activities | 20.4 | 41.5 | 13.8 | 14.8 | 9.1 | 0.4 |
| MN – Scientific and technical activities; administrative and support services | 22.5 | 38.2 | 19.9 | 10.8 | 8.2 | 0.5 |
| OQ – Education, human health and social work activities | 43 | 21.5 | 12.5 | 16.6 | 5.9 | 0.5 |
| RU – Other service activities | 14.5 | 28.9 | 40.6 | 10.4 | 5.5 | 0.2 |

Scope: private sector employees excluding agriculture, private individual employers and extraterritorial activities; France (excluding Mayotte).

How to read it: during the week of 23 March, 27.0% of employees worked on site or on building sites. This percentage was 22.4% for companies with a workforce of between 10 and 19 employees.

*Source: DARES, Acemo-Covid survey, April 2020*

**First administrative data for short-time activity**

Of the figures published in the Acemo-Covid survey, those relating to short-time activity or short-time working can be compared with the first administrative feedback now being published on a weekly basis by DARES, DGEFP and Pôle emploi. On 21 April, the cumulative total of requests to be placed on short-time working concerned 10.2 million employees. This figure is very much higher than the 25% given in the Acemo-Covid survey, which represented 3.75 million people. Obviously the scope of the Acemo surveys has an effect, in that they are limited to companies of 10 or more employees. The difference can be explained by the effect of a gradual ramping up of the scheme. In fact, the number of applications actually submitted was, in contrast, very much lower than the numbers declared in the survey for its reference period (*Graph*). On 27 March, the cumulated number of requests was still only 2.3 million, and since that date it has increased on a regular and continuous basis.

If this figure of more than a third of workers on short-time activity were confirmed, it would reduce all other forms of leave (including leave for childcare) to an insignificant amount. It is possible that these different types of leave merely played a temporary role pending the possibility of using the short-time activity scheme. It is also possible, conversely, that ultimately not all requests will be granted, since what is measured at this stage are only requests for prior authorisation which do not give the actual numbers accepted, either in terms of beneficiaries or duration. It is only once we have come out of lockdown that we will gradually be able to have a complete and coherent view of what employment conditions were really like during the entire period and also how they changed. ■

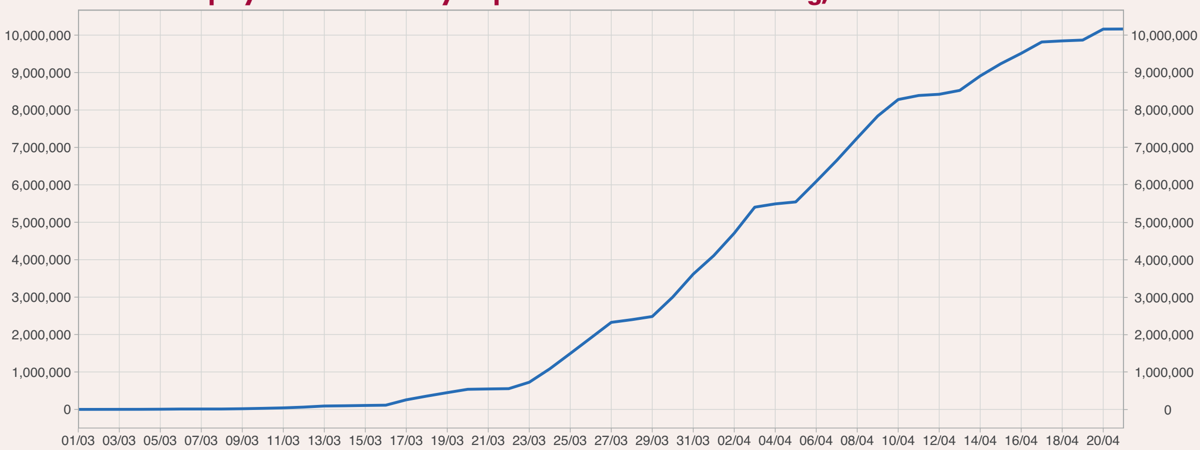
## Bibliography

**ACOSS,** (2020), « Baromètre économique », 22 April 2020.

**DARES,** (2020) « Activité et conditions d'emploi de la main d'œuvre pendant la crise sanitaire Covid-19 », 17 April 2020.

**DARES,** (2020) DGEFP et Pôle emploi, « Situation sur le marché du travail durant la crise sanitaire », tableau de bord au 21 April 2020. ■

**1 - Number of employees concerned by requests for short-time working, cumulated from 1st March 2020**




*Source : ASP-DGEFP-DARES*

**Box**

**What will the other usual sources be able to tell us about employment and unemployment?**

In normal times, INSEE's Labour Force survey is the main tool used to monitor activity and working conditions seen from the perspective of households, based on a very detailed questionnaire, harmonised at European level. Every quarter, it covers a population of about 100,000 people. Individuals in a surveyed household are interviewed in detail in six consecutive quarters on their activity during a "reference" week, with these reference weeks distributed over the entire sample to cover all the weeks of each quarter. Thus the last two weeks of March were "reference weeks" for about two in thirteen households in the survey.

This survey was designed to provide information on average weekly activity over the entire quarter, and was never intended to be used for infra-quarterly monitoring: data collected for a specific week are not very detailed and not necessarily representative of the whole sample.

However, the current context has led to an attempt to use the survey at this infra-quarterly level. As the collection of information for a reference week is spread over 3 weeks, data collection for the end of March has just been completed. Results could be published in one of the two *Points de Conjoncture* in May, with two additional reservations on their interpretation:

• first, the fact that the quality of data collection was affected by Covid-19. Usually, this takes place partly in people's homes and partly by telephone. Data collection at home had to be stopped and response rates by telephone may have been affected by this change in the protocol;

• second, the fact that the very unusual context of this crisis will make it more difficult to interpret some of the indicators traditionally measured by the survey. It is used primarily to measure "ILO" unemployment. However, in order to be classified as ILO unemployed, a person must be actively seeking work, something that in the current context may be impossible (e.g. people seeking jobs in sectors that are closed or virtually so) or more difficult. It also assumes that a person is available to take up a job, which again in the context of lockdown becomes problematic. The result will be that additional indicators around unemployment will be taken into consideration more than usual, such as the "halo of unemployment" indicator which includes people without employment and willing to work but who have not taken any specific action or are not available immediately.

To supplement this information that the Labour Force survey could soon provide, INSEE has also enhanced the questionnaire for its monthly consumer confidence survey, CAMME. This survey is carried out exclusively by telephone and is used to calculate the consumer confidence composite indicator, which had started to decline in March. Figures for April will be published on 28 April. Data collection for May will include an additional module on lockdown conditions, including questions on activity.

Finally, it will now be possible to start using information from DSN (Nominal Social Declaration) for March, which is transmitted every month to social protection bodies from company payroll files: it provides data primarily for payroll statistics published by ACOSS, and quarterly employment statistics published jointly by ACOSS, DARES and INSEE.  It will also be able to provide information on numbers in the occupied labour force affected by short-time activity and by a reduction in their hours worked. ■

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