

Sunak warned of 'tidal wave' of job losses as furlough scheme ends

The government's coronavirus furlough scheme ends today after supporting millions of workers during the pandemic.

Ministers say the wages of more than 11 million jobs were subsidised for at least some of the scheme's duration, at a cost of about £70bn.

There is now uncertainty over the almost one million people still thought to be on the scheme at the end of September, according to Office for National Statistics (ONS) estimates.

Meanwhile, job vacancies in the UK have hit a [record of more than a million](#), according to recent ONS data, with openings in the hospitality and transport sectors up more than 75% in three months.

Chief Secretary to the Treasury Simon Clarke told Sky News' Kay Burley: "There is a lot of opportunity out there for people now. There's never an easy moment to end these measures.

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"They've been hugely important but it is also time to recognise that we are now, thankfully, out of the teeth of this pandemic... and we're in a situation where normal opportunity is back out there for people to embrace."

However, he added: "There will be some job losses but there are also these one million vacancies in the labour market for people to move towards and a huge range of support to help them do that."

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Samuel Tombs, chief UK economist at Pantheon Macroeconomics, said he still had “doubts” about whether the economy had recovered enough to re-employ all those coming off furlough.

The winding up of the scheme could hit some especially hard as it comes at the same time as the £20 Universal Credit uplift ends, and amid a background of [rising energy bills](#).

The Liberal Democrats have warned of a “tidal wave” of job losses and want furlough to continue for some sectors.

In a letter to the chancellor, Liberal Democrat Treasury spokesperson Christine Jardine said furlough should be

maintained for another six months for 10 industries particularly badly affected by the pandemic, such as air travel.

“The withdrawal of furlough risks having a devastating impact on countless families already facing a winter of soaring energy bills,” said Ms Jardine.

“The government needs to rethink its approach or the country could face a Coronavirus Black Thursday.”

The party says the extension would cost about £600m.

Chancellor Rishi Sunak said: “I am immensely proud of the furlough scheme, and even more proud of UK workers and businesses whose resolve has seen us through an immensely difficult time.

“With the recovery well underway, and more than one million job vacancies, now is the right time for the scheme to draw to a close.

“But that in no way means the end of our support. Our Plan for Jobs is helping people into work and making sure they have the skills needed for the jobs of the future.”

Following the end of the furlough scheme, the government has launched a £500m support package for vulnerable households over winter.

The new Household Support Fund will help people with essentials over the coming months and will be distributed by councils in England.

It will be available as small grants to meet daily needs such as food, clothing, and utilities and will be available to councils from October.

The devolved administrations will receive up to £79m of the £500m.