**Press Release – The Money Charity – For Immediate Release**

(BEGINS)

**Low Unemployment Rare Bright Spot in Cost of Living Crisis**

**The Money Statistics April 2022**

**While prices continue to rise at concerning levels and the cost of living crisis sees more people struggling with their everyday money, one small bright spot can be seen in the ongoing low rates of unemployment, according to the April 2022 Money Statistics, produced by The Money Charity.**

The cost of living crisis continues to dominate the economic agenda, with the human impact beginning to emerge, however, one positive indicator can be seen in that unemployment remains very low. The number of people classed as unemployed in the UK between December 2021 to February 2022 was **1.30 million**[[1]](#footnote-1), this was just **3.8%** of the total workforce, **40,000** fewer than the previous quarter and **409,000**[[2]](#footnote-2) fewer than the previous year. While this is mostly good news, economists have linked labour markets that are too ‘tight’, with more job vacancies than workers available, with falling wages and increased potential for recession. Total real pay continues to fall further below pre-2008 levels and is now **0.38%**[[3]](#footnote-3) lower than in February 2008.

The soaring price of fuel remains the crisis’ headline illustration, with major increases seen through March 2022. Compared just to February, it cost **£7.85**[[4]](#footnote-4) more to fill a 50 litre tank with unleaded petrol and **£11.10** more for diesel. Looking back at previous months which saw notable high increases, these were more typically around £1-£2 extra in the month.

One of the unexpected positive outcomes of the pandemic was the increase in UK household savings rates. However, this ratio continues to fall, after reaching a record high of 23.4%, with the rate now at **6.5%**[[5]](#footnote-5). Alongside the current price rises and returns to more regular patterns of life, people are largely spending more on their bills and outgoings, thereby saving less.

The crisis is also prolonging the uncertainty many felt through the pandemic. In February 2022, **32%**[[6]](#footnote-6) of people felt it would still take more than a year for life to return to normal following the pandemic, with **12%** of people thinking that life would never return to normal. Unsurprisingly, those who said they could afford a high unexpected expense were more likely than those who couldn’t to feel that life had already returned to normal. StepChange report that between January and February, the proportion of clients citing ‘a cost of living increase’ as their main reason for debt increased to **11%**[[7]](#footnote-7), making it the fourth most commonly cited unique reason among new clients.

**Michelle Highman, Chief Executive of The Money Charity says:**

“Sustained low levels of unemployment are a promising sign that change could be around the corner; history shows that economies tend to recover quickly from global disruptions such as pandemics and wars. However, in the meantime, the increasing indicators and headlines of people’s everyday struggles to cover essential living costs and bills are a real concern, one that the government must urgently address with bolder and more innovative, targeted support.

“At The Money Charity, we are seeing the reality of these struggles through exceptionally high booking rates for our Financial Wellbeing Workshops and Webinars. Organisations are scrambling to better support and uphold their people in such challenging times and we’d urge many more employers across the UK to get in touch with us, to find out more about the difference our independent and impartial sessions can make to workplace wellbeing.”

**Other Striking Numbers from the April Money Statistics:**

* **3.2 million** UK adults missed some form of major payment over the past two years. *(P4.1.)*
* The average house price for first-time buyers increased by **10.1%** in the year to February 2022. *(P10.)*
* **4.2** properties were repossessed every day in October to December 2021 in the UK, or one **every 5 hours and 40 minutes**. *(P13.)*

**Get the full picture and many more fascinating facts about money in the UK in our monthly** [**Money Statistics**](https://themoneycharity.org.uk/money-statistics/)**.**

Notes to Editors

* For over 25 years, The Money Charity has been the UK’s Financial Capability charity. We proactively provide education, information, advice and guidance to people of all ages, to reach our vision of seeing everyone achieving Financial Wellbeing by managing their money well. We empower people across the UK to develop the skills, knowledge, attitudes and behaviours to make the most of their money throughout their lives. Find out more at <https://themoneycharity.org.uk/>
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  + You clearly acknowledge The Money Charity as the providers of the information and point your audience towards signing up themselves for the monthly report; and
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* Any media or press enquiries should be directed to our Communications and Marketing Manager, James Yelland, on [james@themoneycharity.org.uk](mailto:james@themoneycharity.org.uk)

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1. (The Money Statistics April 2022 Full Report, P20) [↑](#footnote-ref-1)
2. (The Money Statistics April 2022 Full Report, P20) [↑](#footnote-ref-2)
3. (The Money Statistics April 2022 Full Report, P19) [↑](#footnote-ref-3)
4. (The Money Statistics April 2022 Full Report, P14) [↑](#footnote-ref-4)
5. (The Money Statistics April 2022 Full Report, P16) [↑](#footnote-ref-5)
6. (The Money Statistics April 2022 Full Report, P4.1) [↑](#footnote-ref-6)
7. (The Money Statistics April 2022 Full Report, P4.1) [↑](#footnote-ref-7)