

335K fewer employees on PAYE payroll since Autumn Budget

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The latest research from [The Global Payroll Alliance \(GPA\)](#), reveals that since Labour's Autumn Statement in October 2024, the number of PAYE staff in the UK has fallen by -334,748, equivalent to -67,000 people going off the books every month as businesses battle to reduce overheads under the strain of increased staffing costs.

In October 2024, the Labour government's Autumn Budget announced significant increases to the National Living Wage (NLW) and Employer National Insurance Contributions (NICs), both of which are now having a big impact on business staffing costs.

As soon as the announcement was made, concerns were raised that the changes would result in companies reducing their employee headcounts, especially when it comes to PAYE staff, and GPA's analysis of ONS data* suggests that this prediction has already been proven correct.

In October 2024, before the Autumn Budget, the estimated total number of payrolled PAYE employees in the UK sat at around 30.5 million.

By March 2025 (latest available data), this number had fallen by -334,748 to sit at just under 30.2 million.

This is a percentage decline of -1% since October, and equates to -66,950 PAYE roles vanishing every single month since the budget.

Further analysis by the GPA shows that the Hospitality industry (Accommodation & Food Service Activities) has endured the largest reduction in PAYE staff, totalling -97,387 since October.

The Motor Vehicle Sales & Repairs industry has seen -66,178 job cuts since October, while the Administrative & Support Services industry has seen cuts totalling -57,619

Melanie Pizzey, CEO and Founder of the Global Payroll Alliance, says:

“In the build up to the general election, Labour made repeated pledges to not increase taxes for working people, so when it came to the Autumn Budget and the inevitable tax increases that needed implementing, the government chose to increase rates for businesses instead of workers.

However, by increasing business staffing costs, Labour has semi-indirectly caused hundreds of thousands of people to lose their jobs. They keep talking about short-term pain to make way for long-term gains, but how many people need to lose their jobs before we start seeing some positive economic growth?”

Data tables and sources

- [*Payrolled PAYE employee numbers data sourced from the Office for National Statistics.*](#)

[*Full data tables and sources can be viewed online, here.*](#)