

**TUC**

Changing the world  
of work for good

# **Protecting workers' jobs and livelihoods**

**The economic response to coronavirus**

## Introduction

The coronavirus pandemic poses huge risks to workers' health, jobs and livelihoods, of a kind unseen outside wartime. The chancellor has started to announce a package of measures to try to protect jobs and workers. But more is needed. At present, too many workers will face tough choices about whether they can afford to follow public health advice, and tough prospects as businesses deal with reduced cash flow and demand. This report sets out what the TUC believes must happen next to ensure that we enable people to follow vital public health advice, protect jobs and livelihoods, and enable our economy to survive this unprecedented disruption.

Unions stand ready to work with government to do everything we can to protect health, jobs, and livelihoods. We now believe that government must:

- 1) ensure that business support measures are conditional on support for jobs. This can't just be a bailout for boardrooms.
- 2) fix the sick pay system to provide better sick pay for all.
- 3) introduce targeted support for parents who need to take time out of work to care for kids
- 4) provide more help to families – and a stimulus to the economy
- 5) bring together a taskforce of unions and employers to help co-ordinate the national effort.

## The potential impact on workers

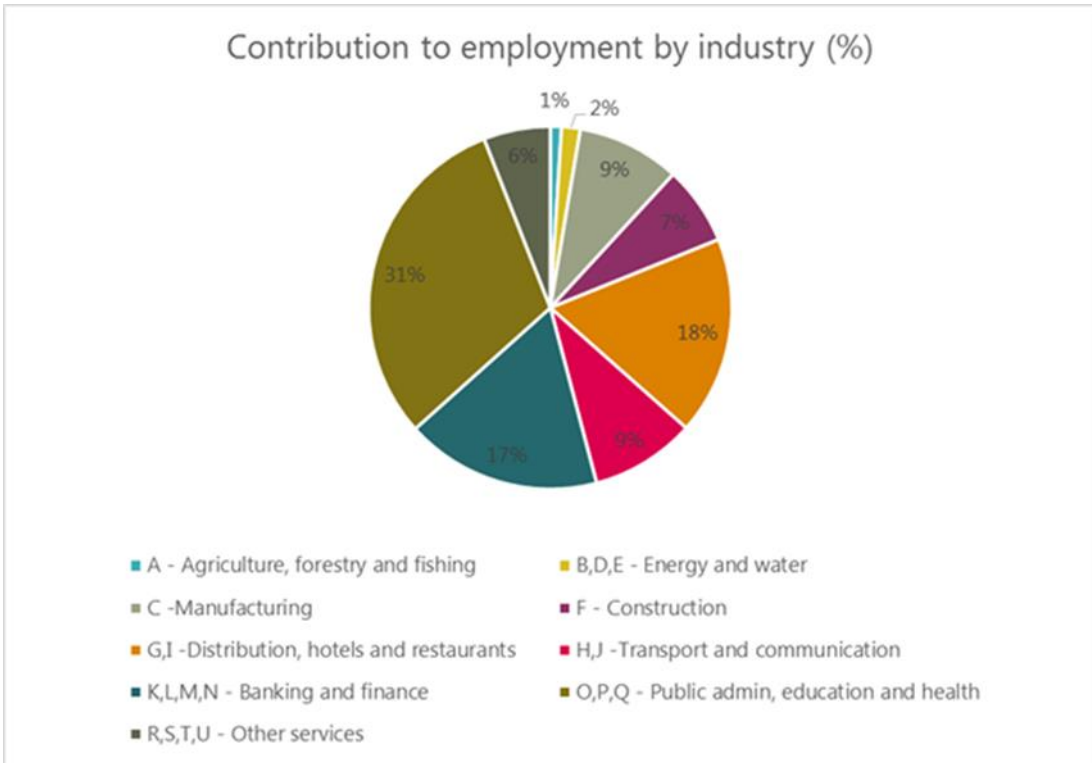
Across the board many industries and those working within them are going to be impacted by the coronavirus, and necessary measures taken to reduce its spread. Jobs and livelihoods are at serious risk, and without unprecedented government action, the consequences could last well beyond the immediate nature of the virus.

The government's own worst-case scenario is that a fifth of the working population may not be able to work at any one time – that's equivalent to over 6.5 million people. It's vital the government introduces measures to protect incomes now and ensures that damage to industry, the jobs within them and the wider economy is not entrenched.

A look at employment in the UK by industry sector, shows us where people work, and which industries could be most at risk.

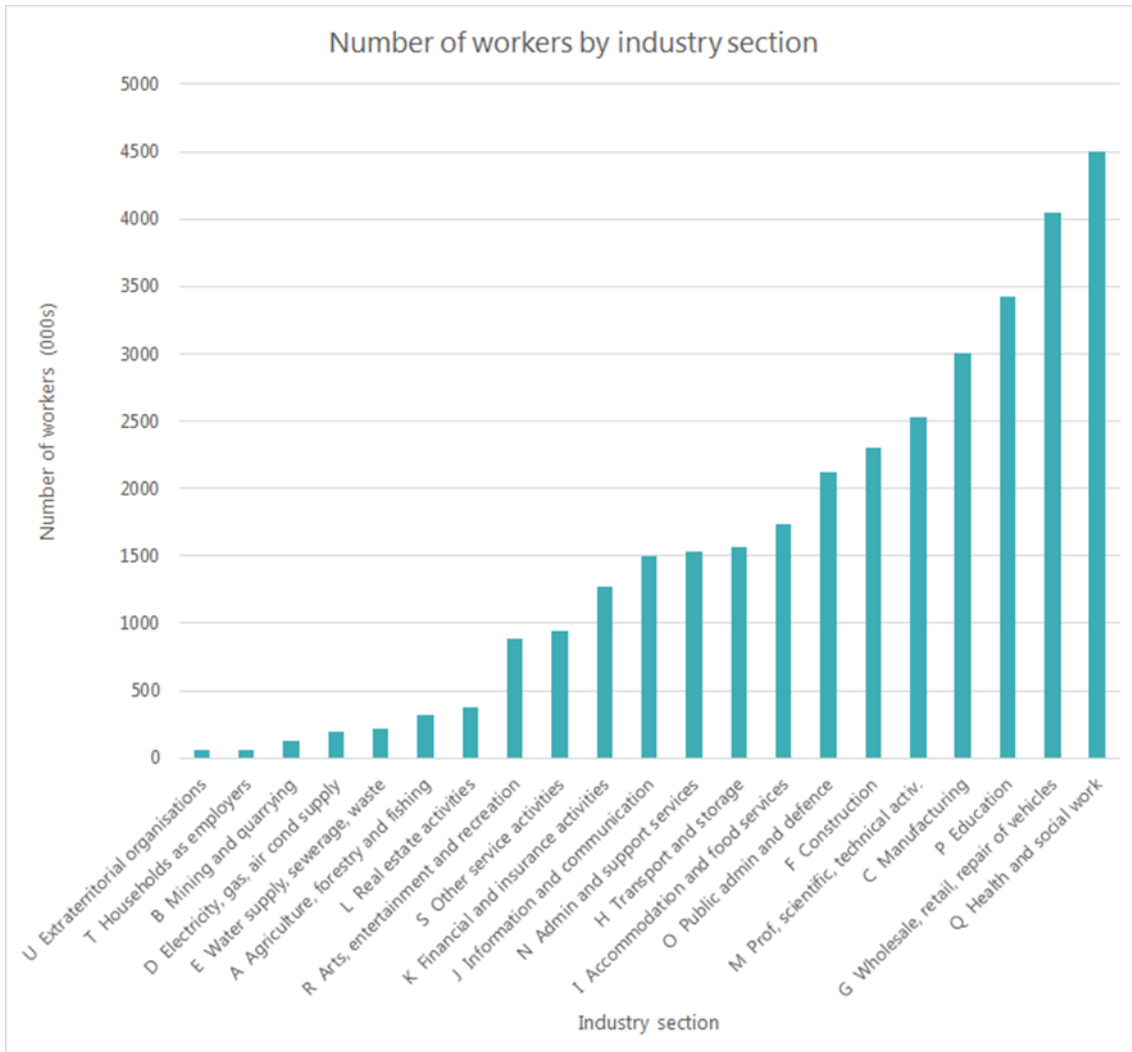
We can see that the majority of people (31 per cent) work in public administration, education and health, followed by distribution, hotels and restaurants which employ 18% of the working population.

We can also see that 9 per cent of the population work in manufacturing and 7 per cent in construction. These are likely to be some of the sectors most affected by closures, reduced footfall, with less ability for workers to work from home owing to the nature of their jobs.



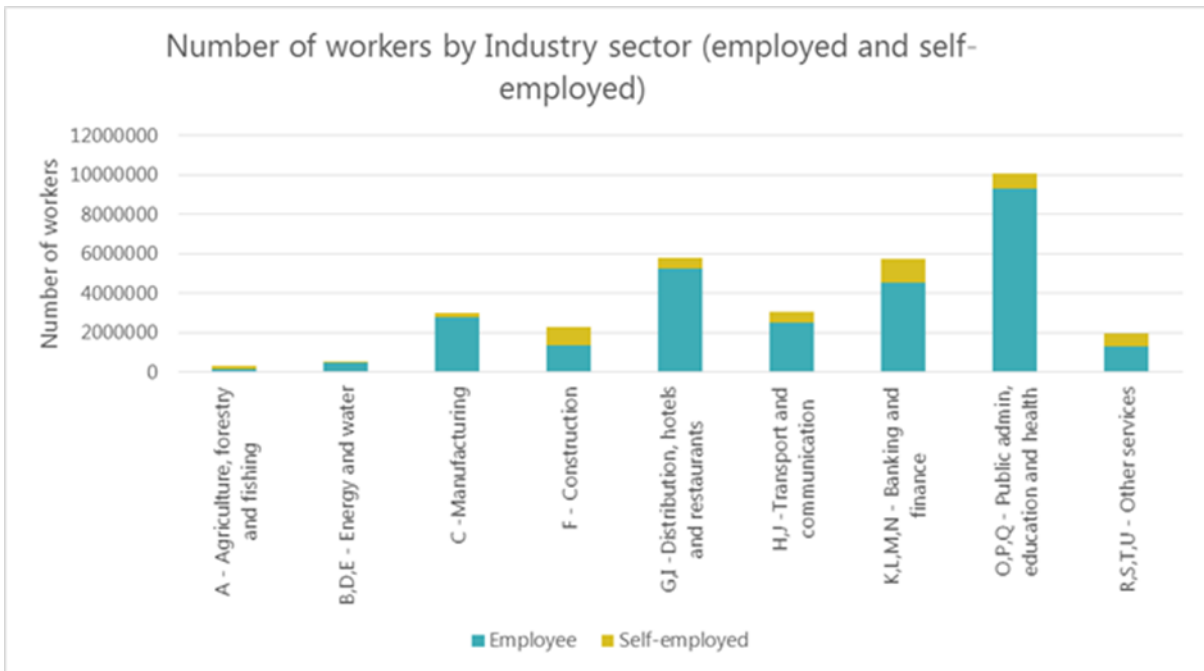
Source: LFS, Q4 2019

Over 13 million people (40 per cent of the work force) are working in health & social work; retail, wholesale and repair of vehicles; manufacturing and accommodation and food services. Many of these jobs are ones that require face to face service particularly in health and social work, where people will be on the front line of delivering care and support to vulnerable groups or cannot easily be done from home. Any closures, reduced hours, or loss of work owing to the need to self-isolate will result in workers' income if measures to actively protect their income are not put in place.



Source: LFS, Q4 2019

Similarly, there are over 5 million self-employed workers in the UK who may have no safety net. Industries with particularly high levels of self-employment include agriculture, forestry & fishing, construction, and other services (which includes most of the creative industries) where self-employment totals 1.74 million workers - equivalent to 52 per cent, 40 per cent and 34 per cent of the work force in each industry respectively.



Source: LFS, Q4 2019.

A particular concern raised after the government advised people to avoid bars, clubs, restaurants and theatres, is the risk to incomes of employees, freelancers, performers and so on. Approximately 900,000 people work in arts, recreation and leisure (of which 275,000 are self-employed) and with 1.7 million people working in the accommodation and food industry - advice for these industries needs to be clear and support for employees and contractors must go much further.

We also know that 3.7 million people are in precarious work, with few provisions from their employers or safety nets to fall back on. Recent data also highlighted that 974,000 people are on zero hours contracts. Many of those workers may just see an immediate loss of hours and no provision for sick pay or any other income protection from their employers.

## Step one: Ensuring that business support also protects jobs

Following initial announcements in the Budget, the Chancellor has now announced a package for business, including:

- an initial £330 billion of loan guarantees, delivered both through the Bank of England and through a business interruption loan scheme.
- A package of support for business rates, with no business rates for retail, hospitality and leisure businesses this year, and an additional cash grant for smaller businesses.

- Further cash grants to smaller businesses, and the ability to reclaim the costs of corona related statutory sick pay.<sup>1</sup>

This support is welcome. But the overriding aim of government measures to support businesses and other employers must be to enable them to support the public interest by protecting people's earning power through this crisis. So we need clear conditions on any business support to ensure it reaches workers' pockets.

### **Any business support should be conditional on businesses setting out measures to protect jobs and ensure support goes to those who need it most**

Any business and employer support must be conditional on recipients taking all possible steps to protect jobs and wages. It is essential that resources are used to preserve the livelihoods of as many workers as possible and organisations that receive support should limit pay at the top of the company in order to spread the support further – it would be unacceptable for companies to maintain executive pay levels that are hundreds of times more than their average workers are paid while laying off staff. Businesses and employers should therefore urgently review their pay structures and put in place emergency fair pay measures to ensure that any support provided by the government has the maximum impact in terms of protecting livelihoods and earning power.

To ensure that government resources have the greatest economic and social impact and support the highest number of citizens, **businesses and employers should set out Jobs and Fair Wages Plans, agreed with recognised unions as a condition of access to government support**, with further details to be agreed by the coronavirus Union and Business Taskforce.

### **Government must introduce wage subsidies as a key means to protect jobs**

Our key demand is that government provide wage subsidies for short-time working and temporary layoffs.

Government should learn from examples across Europe and introduce an immediate package across the economy to protect jobs. As we recommend below, Government should immediately convene a taskforce of unions and employers to design details of this package. We know that government has the tools to deliver this package now.

#### **Denmark:**

*Denmark has brought together employers and unions to agree a short term working scheme to deal with the impact of coronavirus.*

*With the agreement, the government and the social partners ensure that companies that experience a decline in orders and fewer customers as a result of COVID-19, and are therefore unable to employ their employees, can receive a partial reimbursement for wage costs*

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<sup>1</sup> <https://www.gov.uk/government/speeches/chancellor-of-the-exchequer-rishi-sunak-on-covid19-response>

*incurred for three months. The companies undertake not to dismiss employees for financial reasons during the period in which they receive the compensation.*

*The agreement applies to employees of all private companies who are exceptionally affected by COVID-19 and therefore face having to notify redundancies for at least 30% or more than 50 employees. In this case, the company receives a state compensation of 75% of the salaries of the employees concerned, or a maximum of DKK 23,000 per employee (£2,807 for the month) if they fail to notify the layoffs. The employers will cover 25% of the wages and the workers will cover 5% by taking 5 days fewer holidays a year.*

*In addition, the scheme allows companies to reduce employees' working hours to avoid redundancies for a temporary period during which they can then receive supplementary unemployment benefits.*

#### **Norway:**

*Similarly, in Norway the parliament passed a law in response to the economic effects of the pandemic. All workers temporarily laid off will now be entitled to 100% of their wages for 20 days (this is the estimated duration of the quarantine): two days paid by the employer and 18 days paid by the government. This is an improvement on the ordinary rule for temporary lay-off, where only 60% of wages is guaranteed and the employer usually pays 15 days.*

#### **Austria:**

*Government brought unions and employers together to agree a short time working package. The package guarantees that if working hours have to be reduced, employees' net replacement wage will be worth 80 to 90% of their wage or salary while they are on short-time work. The net replacement wage is made up of the wages for the hours they are able to work, and a support payment paid through the public employment service. Replacement rates are staggered by income, so the lowest earners receive 90 per cent of their wages; a middle band receives 85 per cent, and higher earners receive a replacement rate of 80 per cent.*

Those on low wages should be protected from any reduction in wages envisaged by these schemes, with reductions borne by those on higher wages. These thresholds should be set by the coronavirus Union and Business Taskforce, with some flexibility for individual employers and unions to revise at organisational or employer level.

### **The next stage of business support**

While the measures in place to protect public health are having an urgent and unprecedented impact on the business and employers' cashflow and finances, it looks increasingly likely that many businesses and employers will experience more than a temporary financial hit. Many will not be able to make up their current lost revenues in the future. While immediate access to loans to stabilise their finances is the immediate priority, many will face a significant hole in their income that they may struggle to repay out of future revenues.

Where organisations with low margins are not able to absorb the current financial hit and repay their loans from future revenues, consideration should be given to **debt cancellation in the medium term** – otherwise there is a danger that support given today simply delays, rather than removes, the threat of job losses and business collapse.

Debt write-off should be conditional on the business or employer showing that they have a financial plan going forwards that is viable but lacks the profit margins to allow repayment of their loans. It should also be conditional on the continued implementation of their Jobs and Fair Wages Plan as set out above.

## **Support for workers affected by insolvencies**

Given the unprecedented scale of the current crisis, it is inevitable that some companies will become insolvent, exposing workers to the deficiencies of the current protections for workers in insolvency conditions.

**In the event of their employer's insolvency, all working people should be able to recover all forms of remuneration owed to them by their employer in full** – including unpaid wages, holiday pay, notice payments, maternity, paternity and parental leave pay and any outstanding sick pay.

This requires reform to remove the current limits on the amounts that workers can recover from the Redundancy Payments Office. Currently, if a business becomes insolvent without the financial resources to pay all the remuneration owed to its staff, employees can apply to the Redundancy Payments Office for payments. The limits on these payments should be removed so workers can recover all monies owed.

In addition, the system should be urgently reformed so that all workers can recover unpaid wages and other remuneration from the Insolvency Service, as currently this right is limited to employees.

## **Step two: Better sick pay for all**

Government still needs to take urgent action to fix the sick pay system for everyone.

In our report on sick pay for all published before the budget, we outlined three problems with the system of sick pay.

- 1) People have to wait too long before qualifying for the benefit
- 2) Too many people miss out on sick pay because they don't earn enough
- 3) The level of sick pay is too low.

In the budget the government took the step of abolishing the four-day waiting period for sick pay in cases of coronavirus – a temporary fix for the problem of people waiting too long. But the government still hasn't fixed the other two major issues with the benefit.

Two million people are still at risk of missing out on sick pay



Currently those in work earning less than the Lower Earnings Limit (LEL) of £118 do not qualify for SSP or any financial support from their employer. Women, those in insecure work, and younger and older workers are most likely to miss out.

Nearly two million people (we estimate that the figure is 1,870,000) miss out on receiving sick pay when ill. This means that

- One in ten women are not eligible.
- A third of those on zero hours contracts miss out.
- A fifth of those aged 16-24 and a quarter of those aged 65 and over miss out.<sup>2</sup>

In the Budget on March 11th, rather than extend eligibility for sick pay to those who don't earn enough to qualify, the Chancellor told them to turn to the benefit system instead.

And while he announced minor improvements to the way the system works (ending the seven day wait for contributory Employment and Support Allowance), the benefit system still isn't fit to provide the support people need. That's because:

- There's still a five week wait for the main benefit – Universal Credit. The government has said that people can get an advance payment – but those hit by a shock to their income won't be able to pay back what is only a loan.
- Many people may miss out on Universal Credit due to income rules that mean if you have savings over £16,000 you don't qualify.
- The level of benefits is even lower than sick pay. Employment and Support Allowance is just £73.10 a week.

We already know that sick pay is a significant drop in income for those most likely to be affected. Asking them to live on £73 a week risks pushing people into poverty and debt.

**Government needs to act now to remove the lower earnings limit for qualification for sick pay, and ensure everyone can access it, no matter how much they earn.**

### **The level of sick pay is too low**

The current weekly rate of sick pay is just £94.25. The income replacement level is around 20% and is amongst the lowest of its European counterparts, though the duration is longer.

UK SSP is inadequate to meet basic living standards and the low paid have little to no savings to fall back on

Statutory sick pay and social protections for jobless and self-employed people in the UK have breached legal obligations under European law, the Council of Europe has found.

Provisions for the sick and unemployed in the UK were found to be "manifestly inadequate" in a report by the European Committee of Social Rights (ECSR).<sup>3</sup>

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<sup>2</sup> <https://www.tuc.org.uk/research-analysis/reports/sick-pay-all>

<sup>3</sup> <https://www.independent.co.uk/news/world/europe/uk-sick-pay-legislation-eu-law-breach-council-europe-social-charter-a8176396.html>

A worker on sick pay will receive, at most, just £189 across a two-week period on SSP. This compares badly with average earnings. Average weekly earnings are currently £512, meaning that the average worker who is quarantined will miss out on £835 across the fortnight.

Being paid £132 or £189 across a two-week period compares badly with average earnings. Average weekly earnings are currently £512, meaning that the average worker who is quarantined will miss out on at least £863 across the fortnight. As the chart below (estimating how much a UK worker on the national minimum wage would get if similar rules applied as in the systems of selected other countries) this is low in international terms.

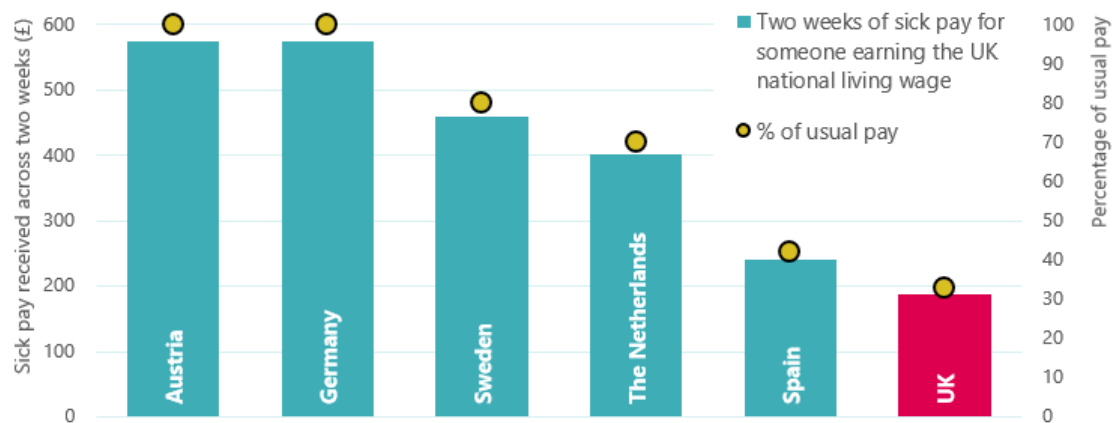
**Government should urgently increase the weekly level of sick pay from £94.25 to the equivalent of a week’s pay at the Real Living Wage.<sup>4</sup>**

### Step three: Support for parents

Schools are already implementing government advice that children must stay at home for seven days if they have cough or cold symptoms. Many parents are already having to take time off work to care for children – or could feel forced to ask grandparents to care for their grandchildren, potentially risking the health of vulnerable older people.

This problem will become more acute if, as expected, schools and nurseries are closed because of the virus.

**UK workers would be paid a lot more when sick if we had the same statutory sick pay as other countries**



*Assuming national living wage and working 35 hours per week across 5 days.  
Source: Mutual Information System on Social Protection*

Currently parents have no statutory right to paid leave to look after their children. If this isn’t addressed, many families could face an immediate threat of hardship or poverty. Working women will be especially hard hit because they bear a disproportionate share of caring responsibilities, and single-parent families are especially vulnerable.

To deal with this risk, we need workers’ jobs and incomes be protected through a series of emergency measures including:

<sup>4</sup> Sick pay is a daily paid benefit, paid on the days that an employee normally works.

- Guaranteed paid parental leave for one primary carer for the duration of the school and nursery closures, with government reimbursement for employers.
- Protection from unfair treatment or dismissal for parents who take up this leave, no matter how long they've worked in their jobs.

These measures should apply to all working parents and carers, including those in part-time, agency or insecure work and those who qualify as self-employed.

Government should also maintain payment of funded hours places in childcare settings, during any forced closures caused by emergency measures or staff shortages due to sickness

## **Step four – Provide more help to families, and a stimulus to the economy**

The coronavirus has come at a time when both household budgets and the wider economy are fragile.

### **The UK and global economy are weak**

The crisis hits at the time of a significant slowdown and pronounced financial fragilities across the UK and world economy. In the autumn, the IMF warned of 'Synchronized Slowdown, Precarious Outlook', reporting a downgrade to global growth "for 2019 to 3 percent, its slowest pace since the global financial crisis". Measures of global (private and public) indebtedness have risen year after year to new records. As John Plender warned in the Financial Times:

*"The shock that coronavirus has wrought on markets across the world coincides with a dangerous financial backdrop marked by spiralling global debt ... The implication, if the virus continues to spread, is that any fragilities in the financial system have the potential to trigger a new debt crisis."*<sup>5</sup>

No less important are the likely counterparts to this borrowing. With most 'macroprudential' action focused on banks, the centre of gravity of financial intermediation has shifted. Shadow banks are now the intermediaries between pension funds and corporate (and other) borrowers. Around ten years ago in the preface of a report for the Bank of International Settlements, Mark Carney warned that new behaviours on the part of insurance companies and pension funds might "*accelerate the shifting of risks to households*".<sup>6</sup>

From a macroeconomic perspective the size of any stimulus must go as far as possible to match the likely shortfall in economic activity, taken across the crisis itself and the aftermath. Plainly this is immensely difficult to judge, but some have suggested the decline is currently proceeding at an (annualised) pace between 10 and 20 per cent. The calendar

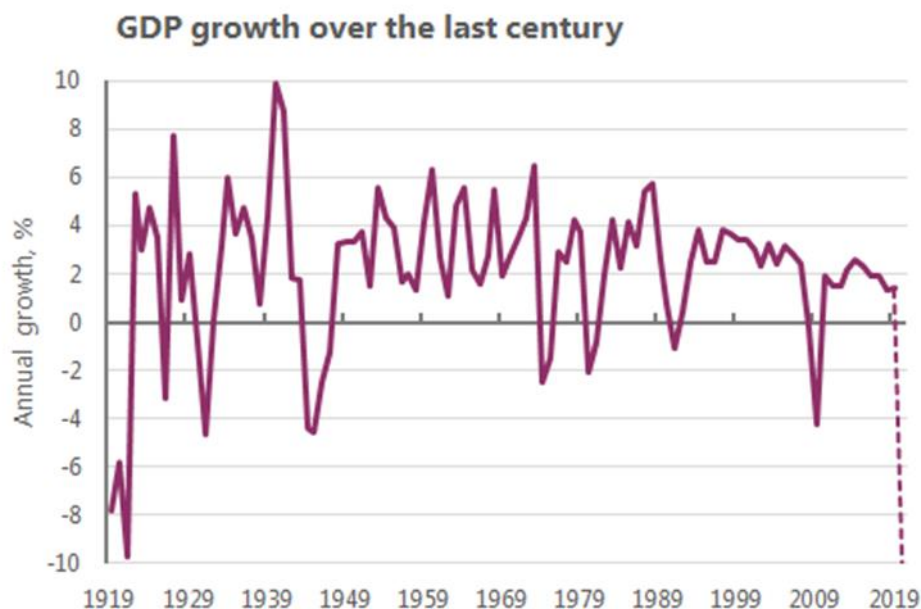
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<sup>5</sup> John Plender 'The seeds of the next debt crisis' Financial Times, 4th March 2020

<https://www.ft.com/content/27cf0690-5c9d-11ea-b0ab-339c2307bcd4>

<sup>6</sup> <https://blogs.imf.org/2019/10/15/the-world-economy-synchronized-slowdown-precarious-outlook/>

year impact then depends on the duration of the crisis, for illustrative purposes a 10 per cent annual decline is set against outcomes over the past century.



Source: Bank of England and ONS

## **Families are facing record levels of debt and can't afford another shock to their incomes**

Even without a pandemic, the UK already had a burgeoning household debt crisis. In 2019, unsecured debt per household hit a record high of £14,540.<sup>7</sup> In the same year, after consistently rising since 2015, the number of individual insolvencies hit their highest level since 2010.<sup>8</sup> An insolvency is when someone is unable to pay their debt repayments and enters formal procedures, such as an individual voluntary arrangement or bankruptcy. Alongside this, 2019 also saw a record number (1.15 million) of county court judgements against individuals who failed to repay their debts.<sup>9</sup>

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<sup>7</sup> Our new government must address the burgeoning household debt crisis, TUC. Available at: <https://www.tuc.org.uk/blogs/our-new-government-must-address-burgeoning-household-debt-crisis> (Accessed 17 March 2020)

<sup>8</sup> Individual insolvency statistics, October to December 2019, The Insolvency Service. Available at: <https://www.gov.uk/government/statistics/individual-insolvency-statistics-october-to-december-2019> (Accessed 17 March 2020)

<sup>9</sup> Debt repayment orders hit record 1.15m in 2019, The Guardian. Available at: <https://www.theguardian.com/money/2020/jan/27/debt-repayment-orders-hit-record-115m-in-2019> (Accessed 17 March 2020)

In its mid-year report for 2019, StepChange was already raising concerns about the level of problem debt in the UK.<sup>10</sup> The charity revealed that their statistics “paint a bleak picture”, with a record number of people seeking debt advice. Their CEO, Phil Andrew, said that “*across the board, we are seeing red flags including worrying proportions of new clients falling into debt due to reduced income, illness or because they rely on credit to pay for day-to-day living expenses*”.

The StepChange statistics show a similar picture as a recent report from Citizens Advice:<sup>11</sup> a worrying number of people live in negative budgets, with income not covering day-to-day living costs. Citizens Advice also highlight how close many people are to falling into a negative budget, explaining that nearly 2-in-5 of the people it helped in 2019 were left with less than £100 per month after living costs.

Our current household debt situation is clear: one economic shock is enough to push many households into crisis. No sick pay, or two weeks on statutory sick pay (SSP), will clearly be an economic shock for a lot of people. We estimate that around 7 million people are eligible for only SSP. For the average employee, being on SSP rather than their usual pay for two weeks, will mean losing a significant amount of income.

Average weekly earnings are £512 per week,<sup>12</sup> while statutory sick pay is just £94.25 per week. This is an income gap of £418 per week for those on statutory sick pay. We know that 30 per cent of workers would be unable to pay an unexpected bill of £500, and of those who would, 20 per cent would have to use credit cards, overdrafts or other borrowing.<sup>13</sup> Those on SSP for a week or longer will now be facing something worse than an unexpected bill of £500: an unexpected income loss of £418 per week for an unspecified amount of time. And as we set out above, just under 2 million employees miss out on sick pay entirely due to not earning enough (£118 per week) to be eligible. This does not include the millions who will miss out due to self-employment and other forms of insecure work. These workers will face a complete loss of earnings.

## **Government needs a wider package of support for households**

Government’s priority must be to support household incomes. And that’s also the quickest way to support the economy – ensuring that people are able to spend. The measures we set out above, on protecting jobs, increasing and extending sick pay, and protecting the incomes of parents, are vital. But government needs to go further.

First, we welcome the Chancellor’s announcement that the NHS will get ‘whatever it takes’. But the response to coronavirus will go well beyond the NHS to encompass social care and

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<sup>10</sup> StepChange reveals record number seeking debt advice, StepChange. Available at: <https://www.stepchange.org/media-centre/press-releases/stats-midyear-2019.aspx> (Accessed 17 March 2020)

<sup>11</sup> Negative budgets: a new perspective on poverty and household finances, Citizens Advice. Available at: [https://www.citizensadvice.org.uk/Global/CitizensAdvice/Consumer%20publications/Negative%20budgets%20report%20-%20phase%201%20\(1\).pdf](https://www.citizensadvice.org.uk/Global/CitizensAdvice/Consumer%20publications/Negative%20budgets%20report%20-%20phase%201%20(1).pdf)

<sup>12</sup> Average weekly earnings, ONS. Available at: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/averageweeklyearningsearn01>

<sup>13</sup> GQR polling of working people on behalf of TUC, 2-16 July 2019. 2000 Respondents (2700 Unweighted)

wider local authority functions, who are likely to have to hire considerable additional staff. Government needs to start bringing together leaders in these sectors, including unions, to design a support package for them.

Next, we need urgent support for families. Government should use the taskforce with unions and business we propose to consult on the best way to get financial support to households, but initial steps could include:

- **a fully-funded freeze on council tax payments, as well as council tax debt repayments.** StepChange's mid-year report explains that council tax is the most common arrears type among new clients. Council tax debt collection is particularly harsh, with one missed payment quickly leading to high levels of debt, and councils frequently using bailiffs to collect debt. Underpinning this is the threat of imprisonment for failing to pay. Research by Citizens Advice estimates that over 2 million households are currently behind on council tax, and councils' aggressive collection methods cause debts to become unmanageable .
- **the hardship fund for local authorities must be significantly increased,** and the details clarified. It's increasingly clear that the £500 million hardship fund for local authorities announced in last week's budget is now insufficient and will need to be increased to ensure local authorities can best support the vulnerable people the fund is intended to help. As well as this, we need clarity on how the fund will be allocated to local authorities and the eligibility criteria for people accessing the fund.
- **An immediate increase in social security payments.** The benefits freeze, which has meant that most working-age benefits have stayed at their April 2015 level for the past five years, has created a cost of living crisis for those on benefits and is estimated to have pushed 400,000 people into poverty by the time it finally ends this April . Prior to the freeze, benefits were also capped at 1% for three years. The House of Commons Library has shown that if benefits had risen with CPI inflation, rather than affected by caps and freezes, income support for a single person would now be £81.70 per week. Instead, from this April, it's 9 per cent lower: £73.10 .
- **End the five week wait for Universal Credit.** The five-week wait for new UC claimants has similarly caused hardship for benefits claimants. While new claimants can receive an advance payment, this must be paid back out of future benefits payments, which are already too low. The TUC has been campaigning for the five-week wait to be scrapped since before Universal Credit was introduced, and it's now more important than ever.
- **Help people with rental costs as well as mortgages.** The government announced a welcome measure on the 17th March to ensure that for those in difficulty due to coronavirus, mortgage lenders will offer at least a three-month mortgage holiday. Government now urgently needs to put in place similar financial support to those who rent from both social and private landlords, and place a moratorium on evictions for the duration of the coronavirus crisis.

## **Step five: Bring together unions and employers to help the national effort**

The coronavirus requires a co-ordinated and sustained intervention in support of jobs, business and the wider economy.

The TUC has written to the Prime Minister urging him to pull together unions, business and government agencies to minimise the economic and health impact of the coronavirus pandemic.

The aim of the taskforce will be to bring stakeholders together to co-ordinate support and ensure that measures are being effectively targeted, delivered and accessed by employers and workers in need.

The taskforce should be chaired by a Senior Cabinet Minister, and bring together representatives of key government agencies, trade unions and employer bodies.

The taskforce should also oversee a similar co-ordination effort in individual sectors and industries, bringing together employers and unions in key sectors including manufacturing, retail and transport, to design and deliver the support that workers and employers need.

## Summary of recommendations

### Step one: Ensuring that business support also protects jobs

- To ensure that government resources have the greatest economic and social impact and support the highest number of citizens, businesses and employers should set out Jobs and Fair Wages Plans, agreed with relevant unions as a condition of access to government support, with further details to be agreed by the coronavirus Union and Business Taskforce.
- Government must ensure that business supports including urgently introducing a wage subsidy scheme to support people in jobs, building on best practice across Europe
- Where organisations with low margins are not able to absorb the current financial hit and repay their loans from future revenues, consideration should be given to debt cancellation in the medium term – otherwise there is a danger that support given today simply delays, rather than removes, the threat of job losses and business collapse.
- In the event of their employer's insolvency, all working people should be able to recover all forms of remuneration owed to them by their employer in full – including unpaid wages, holiday pay, notice payments, maternity, paternity and parental leave pay and any outstanding sick pay. This requires reform to remove the current limits on the amounts that workers can recover from the Redundancy Payments Office.

### Step two: Sick pay for all

- Government needs to act now to remove the lower earnings limit for qualification for sick pay, and ensure everyone can access it, no matter how much they earn.
- Government should urgently increase the weekly level of sick pay from £94.25 to the equivalent of a week's pay at the Real Living Wage.

### Step three: Support for parents

- Government should introduce guaranteed paid parental leave for one primary carer for the duration of the school and nursery closures, with government reimbursement for employers.
- This must be accompanied by protection from unfair treatment or dismissal for parents who take up this leave, no matter how long they've worked in their jobs.
- Government should also maintain payment of funded hours places in childcare settings, during any forced closures caused by emergency measures or staff shortages due to sickness

### Step four – provide more help to families, and a stimulus to the economy

- The response to coronavirus will go well beyond the NHS to encompass social care and wider local authority functions, who are likely to have to hire considerable additional



staff. Government needs to start bringing together leaders in these sectors, including unions, to design a support package for them.

- Government urgently needs to design a wider package of support for households, in addition to wage subsidies and better sick pay. It should consult unions, employers and civil society on this, but measures could include:
  - a fully-funded freeze on council tax payments, as well as council tax debt repayments
  - the hardship fund for local authorities must be significantly increased, and the details clarified
  - an immediate increase in social security payments
  - ending the five week wait for Universal Credit
  - Supporting rental costs as well as mortgages, including a moratorium on evictions for the duration of the crisis.

### **Step five: Bring together unions and employers to help the national effort**

- The Prime Minister should pull together unions, business and government agencies to minimise the economic and health impact of the coronavirus pandemic. The aim of the taskforce will be to bring stakeholders together to co-ordinate support and ensure that measures are being effectively targeted, delivered and accessed by employers and workers in need.