

# Manufacturing update 17: Another union win sees 80% furlough back for millions!



While our devolved nations had already introduced national measures and English regions have been battling with government for the support they need, Westminster, having announced a second lockdown across England from 5<sup>th</sup> November, has finally been forced to act on protecting workers' pay. Over past months as we've seen businesses forced to close and thousands of workers being laid off, discussions with treasury officials have continued and the argument for additional financial support for working people, while falling on deaf ears for months, has finally won through. **We can be very proud of our role in these discussions and I want to thank you all for the leverage you gave us as a result of local and community wide activities in support of our #SOS4Jobs campaign.**

The Chancellor having already been forced to pause his Job Support Scheme (due to commence on 1<sup>st</sup> November), was firstly forced into extending the Job Retention Scheme to 2<sup>nd</sup> December and the end of lockdown in England. However, following ongoing pressure he was once again forced in to further concessions and has now both improved the scheme and rolled it over until 31<sup>st</sup> March 2021, paying workers 80 percent of wages for unworked hours.

- ⇒ **This is a major victory for trade unions working through the Trades Union Congress (TUC) and our allies in industry who have mounted a relentless campaign to secure more from government in the face of growing unemployment and business closures.**
- ⇒ **It's now for us to use this opportunity to push back against proposed redundancies and ensure those already dismissed from 23<sup>rd</sup> September 2020 are reinstated and furloughed.**

## WHAT IS NOW IN PLACE TO SUPPORT WORKERS?

- ⇒ *The Job Support Scheme due to commence on 1<sup>st</sup> November has been temporarily withdrawn and the Job Retention Scheme has been extended from 31<sup>st</sup> October to 31<sup>st</sup> March 2021 with some important improvements.*
- ⇒ **All employees, whether previously furloughed or not, are eligible for furlough under the extended scheme.** *This is an important win for us that reverses a decision to stop new claims for those not previously furloughed for at least three weeks.*
- ⇒ *The only criteria to meet is that **employees have been employed for a period between 20<sup>th</sup> March and 30<sup>th</sup> October 2020** and were an employee on 30<sup>th</sup> October.*
- ⇒ *Workers can continue to **work any number of hours as flexibly as necessary, or no hours (furloughed full time)** to benefit from an 80 percent payment for all unworked hours.*
- ⇒ *The state will pay the **80 percent of wages for unworked hours to a cap of £2500 per month.** Importantly, our argument that placing an increasing cost of furlough on employers was leading to growing unemployment has won. **The employer will pay no contribution towards pay for unworked hours, only employers NI and pensions contributions.***
- ⇒ *Employees who were **employed at 23<sup>rd</sup> September and subsequently dismissed can be reemployed and furloughed** under the scheme.*

With the detailed guidance only now being published and a number of questions still unanswered by the Chancellor's statement in Westminster, we will continue discussions, raise concerns and close any gaps to ensure that all workers are protected through a growing crisis not of their making.

**Protection for the self-employed has also improved** with the overall level of the self-employed workers grant increasing from 55 percent to 80 percent of trading profits. Payments averaging 80 percent of trading profits between November – January will be paid with a cap at £7500 (£2500 per month). While

commitments have been given to roll this scheme over to the end of March, additional work needs to be done to make this a reality and we are working hard to ensure that happens.

- ⇒ In addition, **mortgage payment holidays have been extended** and business **cash grants of up to £3000 per month** provided for businesses forced to close.

Our shop stewards, officers and health and safety representatives have played a fantastic role over this difficult period; in the fight of their lives for jobs, ensuring our workplaces are safe, our pay and conditions protected and our businesses survive the pandemic. **Thank you, every single one of you.**

When the government announced the closure of the Job Retention Scheme (JRS) and its replacement, with the Job Support Scheme (JSS) we managed to secure a number of important improvements that we're now looking to carry over into the newly extended scheme.

### QUESTIONS AND ISSUES OUTSTANDING

- ⇒ *The deal introducing the Job Support Scheme importantly prohibited employers from putting workers receiving state support on notice of redundancy or making them redundant. This must be transferred over to the extended JRS, ending the abuse by some employers of the scheme.*
- ⇒ **Any vulnerable and sick workers who cannot work from home must be able to furlough.**
- ⇒ *With an on-going failure to protect freelancers, entertainers and others falling through the gaps of various schemes, measures must be put in place to ensure no worker is left behind.*
- ⇒ **The JRS must extend beyond March for those requiring additional support until demand and/or confidence returns. Our partners in Europe have done more, sooner and for longer leaving UK workers behind and our industries less able to recover quickly as we emerge from Covid-19.**
- ⇒ *Those asked to self-isolate following test and trace identification or others with symptoms of Covid-19 must be furloughed and not left to rely on Statutory Sick Pay.*

Clearly there is more to do on so many fronts to protect working people and our communities from the devastating impact of lockdown, looming recession, unemployment and the challenges of a breakdown in negotiations and 'no-deal' being the outcome of trade talks with our largest trading partner, the European Union, at the end of the year. **We will continue to work industrially and politically to defend the interests of our members and your families on all of these issues and so many more...**

- ⇒ *An industrial strategy and plan to recover and rebuild our economy post Covid-19 and our departure from the EU customs union and single market (see Update 16).*
- ⇒ *Industry specific deals to protect core sectors of the economy impacted greatly by Covid-19.*
- ⇒ *A publicly controlled and operated NHS test and trace programme ending the scandal of outsourced providers profiteering from a failed service provision.*
- ⇒ *A good 'fair-trade' deal with the EU to protect our manufacturing sectors and wider economy exporting to and trading services with the EU*
- ⇒ *A jobs guarantee scheme for all and proper certificated apprenticeships for our young*
- ⇒ *Upskilling and retraining for all workers to prepare ourselves for the challenges of the future*
- ⇒ *A green new deal with workers and communities at its heart to green our towns and cities.*

**Right now we have so many priorities but I urge you to now review and reopen discussions on proposed redundancies and use the scheme as another tool in our armoury to support jobs.**

In solidarity



Steve Turner  
**Assistant General Secretary**