

BRIEFING | 012 | 18 JULY 2021

BACK TO WORK

Sick pay and self-isolation in a post-lockdown world

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60 SECOND SUMMARY

- 1 Another wave of coronavirus would push a quarter of workers over the edge financially with those in insecure work the least able to weather another wave.
- 2 Voters of both parties support introducing the real living wage across the board, and for paying workers more to isolate.
- 3 42 percent of young people are feeling the pressure work with symptoms of coronavirus.
- 4 Just 22 percent of Conservative voters said that they would be able to survive on statutory sick pay, and onein-three fear they'll be pressured into work with symptoms of the virus. Yet overall, Conservative voters are against raising statutory sick pay, feeling that the current level is adequate.
- 5 To address these problems, we call for a support package to aid the back-to-work effort including enhanced sick pay and the retention of the Universal Credit uplift.

BACKGROUND

The 19 July means a return to work for millions in England, as government safety measures are lifted.

Despite new freedoms to travel, work and socialise, those testing positive for coronavirus will continue to be required to isolate. This necessary sacrifice could still have potentially devastating financial consequences for many. There are reasons to worry that low-income workers – and those in insecure work – will face real penalties to their real lives: a lack of adequate sick pay; pressure from bosses to work when unwell; and cuts to their take-home pay and benefits.

As part of our ongoing programme of working into economic security, we asked the public about the issues that they are likely to face when returning to work, and what would help them achieve economic security and meaningful employment in a post-lockdown world. With Yonder, we polled a representative sample of 2000 adults across Great Britain. For most questions, the answers given regarding employment applied to the sample of workers only, unless specified otherwise.

We've found that workers are not confident about current levels of support, and would like to see action on sick pay and self-isolation payments, a guaranteed minimum wage, and action on workplace malpractice.

Failure to deal with these issues could translate to a 'summer of discontent' as low-income voters are hit directly in the pocket. These problems will hit supporters of all parties – we've found that those supportive of the



Conservative party are just as likely to suffer financial problems from having to isolate as those who lean towards Labour.

The coming weeks and months will be a key test of the UK government's commitment to improving the lives of people on low-incomes – especially workers in the North and Midland 'red wall' seats with fewer opportunities, those in insecure work including in the gig economy, and young workers.

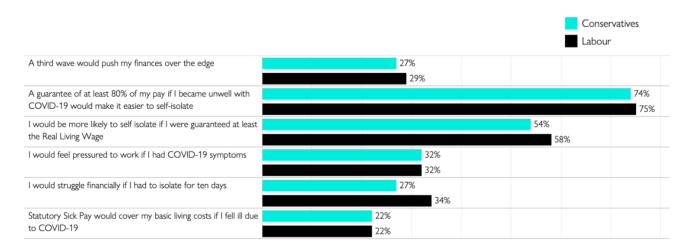
We urge the UK government to make levelling-up more than a slogan, and ensure the support system is fit for the great return to work.

KEY FINDINGS

1. Across party lines, both Conservatives and Labour voters are likely to impacted by issues with sick pay & isolation

More than a quarter of working Conservatives (27 percent) and Labour (29 percent) voters say that another wave of coronavirus would push them over the edge financially.

There is also little difference between supporters of the two parties when it comes to back to work issues. While Conservative workers are less likely to struggle financially if they had to isolate (27 percent vs 34 percent), they are narrowly more likely to be unable to work from home (39 percent vs 36 percent). 37 percent of Tories say their employers will not provide support beyond statutory sick pay, compared to 32 percent of Labour supporters in work.



Across both parties, a third of workers said that they would feel pressured to work, even if they had symptoms. And 64 percent of working Conservatives told us that statutory sick pay would not cover their living costs, a similar figure to Labour supporters.



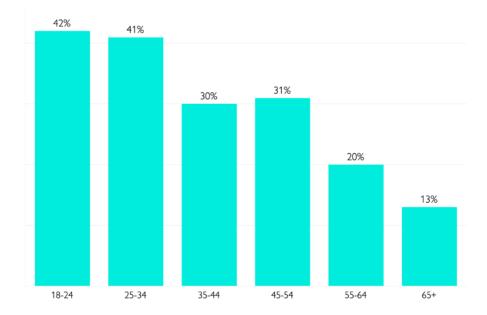
This has real consequences for the Conservative party. Many Tory MPs – particularly on the backbenches – have pushed to lift restrictions as fast as possible. But lower income workers, many of whom will populate key marginal constituencies, will be significantly impacted by a lack of adequate sick pay, or inability to isolate.

2. Those in insecure work are among the least able to weather another wave

49 percent of those on a zero hours contract say another wave would push their finances "over the edge", versus 26 percent of workers overall. 32 percent of all workers would feel pressured to work with Covid symptoms, rising to 54 percent of those who use gig economy apps like Uber or Deliveroo to seek work. 81 percent of those on zero-hour contacts and 83 percent of gig economy workers would be more likely to self-isolate if sick pay were paid at 80 percent of their income, rather than £96 per week.

3. Young people are feeling the pressure to go back to work, even with symptoms of coronavirus

The impact of restrictions on the mental health of young people is well documented. Our findings show that they are more likely to be feeling the pressure to return to the workplace -42 percent of 18-24 year-olds told us that they would be pressured to work while sick with coronavirus, compared to just 13% of over 65s.



Percentage of workers who would feel pressured to work with symptoms of coronavirus, by age group

4. Voters of both parties support introducing the real living wage across the board, and for paying workers more to isolate

We asked respondents to pick three options from a list of ideas of how to improve employment in the UK. Tory voters are keen on cracking down on employers paying less than the minimum wage (50 percent), paying the real living wage (47 percent), banning zero hours contracts (37 percent) and providing more training, especially to non-graduates (31 percent).

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These are similar to the what Labour voters want: they are keen on paying the real living wage (55 percent), cracking down on employers paying less than the minimum wage (43 percent), banning zero hours contracts (42 percent) and providing 80 percent of pay to sick workers (28 percent).

5. Despite just 1 in 5 saying they could survive on current levels of sick pay, Conservatives are not in favour of raising it

Just 22 percent of Conservative voters in work said that they would be able to survive on Statutory Sick Pay (SSP). Yet overall, Conservative voters are against raising SSP, feeling that the current level is adequate.

Although Conservative voters are more likely to describe the level as 'adequate', we think it still encouraging that a third of Tories would back a national insurance rise of pay more generous SSP. Few want to see the rates go further. We suspect that these numbers will rise as more people face the reality of sick pay in the unfortunate event of another wave – this time with a greater focus on returning to workplaces.

	All	Conservatives	Labour
The UK Government should fund more generous Statutory	47%	33%	63%
Sick Pay, even if this means an increase in employer and			
employees' national insurance contribution			
The current policy is adequate	28%	42%	18%
The UK government should leave levels of sick pay entirely up	7%	9%	6%
to employers, even if that meant the minimum amount of			
Statutory Sick Pay decreased			
Don't know / prefer not to say	18%	16%	13%



NEXT STEPS

The government's self-isolation payment scheme – at \pounds 500 - is a generous offer on paper, but in reality is beset by problems. Research by the <u>Trade Union Congress</u> found that awareness of the scheme remains low, and that only around one-in-five applications to the discretionary element of the scheme is successful. We believe that an effective sick pay policy needs to be universal to work, and capture the many – especially those in insecure work with volatile incomes. Shifting towards a more universal sick pay system is therefore key.

We therefore call for:

- The government's means-tested self-isolation payments of £500 to be scrapped and replaced with a universal sick pay system, paid at least 80 percent of a worker's wages. In our polling, 74 percent of Conservatives and 75 percent of Labour supporters told us that this policy would make them more able to isolate.
- 2. Retention of the £20 per week Universal Credit uplift. The economic damage wrought by the pandemic is not going away any time soon, and our research has shown that those with low levels of savings are being disproportionately impacted.
- 3. The UK government to bring forward the Employment Bill as emergency legislation and focus on living wage expansion and creating a single labour market enforcement 'watchdog' both of which are seen by Tory voters as key priorities.

For more information, please contact Ash Singleton, ash.singleton@rsa.org.uk.

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