# Press release: Campaign launched to increase low paid workers' knowledge of national minimum and national living wage rights

- Government advertising campaign goes live across the country today to raise lowest paid workers' knowledge of their rights ahead of the National Minimum and National Living Wage rates rise on 1 April
- New poll shows lack of understanding when it comes to being paid, including for travel time and security searches at the start or end of shifts
- Business Minister Margot James: "We are determined to make sure everybody in work receives a fair wage"

The Government has today launched a nationwide campaign to increase low paid workers' understanding of their rights around pay.

The national advertising campaign — which will be carried on public transport, in shopping centres and other public places — is being rolled out ahead of the Government's National Minimum and National Living Wage rates rising on 1 April.

It comes as a new poll for the Government shows many people in low paid work are confused about when they should be paid and what deductions from their pay packets can legally be made.

The poll of more than 1,400 workers earning less than £15,000 found:

- 69% didn't know they should be paid for travel time between appointments
- 57% didn't know having money deducted from their wages to cover the costs of their uniform is unlawful if it takes their earnings under the National Minimum or National Living Wage
- 48% didn't know that tips can't be used to top up pay to the legal minimum

Some of the most common excuses given to HMRC by employers for underpaying workers include using tips to top up pay to the minimum wage, making staff pay for their uniforms out of their salary which takes them below the legal minimum, not paying for shutting up shop or for time waiting for security checks, or the time spent travelling from one appointment to another.

In light of this, the campaign highlights some of the most common examples when a worker may be underpaid the legal minimum in a bid to encourage workers to check their pay.

### **Business Minister Margot James said:**

"We are determined to make sure everybody in work receives a fair wage and

while most employers get it right, there are still a small number who fail to play by the rules. This campaign will raise awareness among the lowest paid people in society about what they must legally receive.

"Anyone who thinks they may be paid less than the legal minimum should contact Acas as soon as possible."

### Jennie Granger, Director General for Customer Compliance at HMRC, said:

"Paying the National Minimum Wage is the law - it's not a choice. Employers must pay their workers what they're entitled to and follow the rules.

"We will act to ensure ripped-off workers receive their proper pay and hardworking businesses are not losing out to dodgy dealers who cheat their staff."

Ahead of 1 April, when the national minimum and living wage rates go up, workers are encouraged to check their pay, speak to their boss about the rate rise and report underpayment to Acas, the independent workplace advisory service.

### Stewart Gee, Head of Guidance at Acas, said:

"We welcome this new Government awareness campaign as it is important for employers to stay within the law and for workers to be fully aware of the pay that they are legally entitled to.

"Acas has free and impartial advice for both employers and employees on the correct national minimum and living wage rates and advice for workers on what they can do if they feel that they are not being paid correctly."

<u>Information</u> on the Government's National Minimum Wage and National Living Wage and to report underpayment.

### Notes to editors:

- 1. From 1 April 2017: The Government's National Living Wage rate for those aged 25 and over will increase by 30p to £7.50 per hour.
- 2. For the Government's National Minimum Wage:
  - $\circ$  the rate for 21 to 24 year olds will increase by 10p to £7.05 per hour
  - ∘ the rate for 18 to 20 year olds will increase by 5 to £5.60 per hour
  - $\circ$  the rate for 16 to 17 year old will increase by 5p to £4.05 per hour
  - ∘ the apprentice rate will increase by 10p to £3.50 per hour
- 3. The new rates were been recommended by the <u>independent Low Pay</u>
  <u>Commission</u> after careful consideration of evidence from both workers and employers.

- 4. HMRC enforces the Government's National Minimum and Living Wage law and over the next year will spend a record £25.3 million on making sure the country's lowest paid people get the pay they are entitled to.
- 5. On 15 February, the Department for Business, Energy and Industrial Strategy <u>named and shamed</u> a record 359 employers for underpaying workers nearly £1 million.
- 6. Polling methodology statement: Populus interviewed a random sample of 1,435 UK adults who are currently working aged 16+ earning less than £15,000 a year from its online panel between 14 and 20 February 2017. Surveys were conducted across the country and the results have been weighted to the profile of all adults. Populus is a founder member of the British Polling Council and abides by its rules.

### <u>Jeremy Corbyn MP statement on the</u> <u>passing of Sir Gerald Kaufman MP</u>

Jeremy Corbyn MP, Leader of the Labour Party, commenting the death of Sir Gerald Kaufman, said:

"I'm very sad at the passing of Sir Gerald Kaufman MP.

"An iconic and irascible figure in the Labour Party, Gerald worked with Harold Wilson when he was Prime Minister in the 1960s and became a Labour MP in 1970.

"Gerald was always a prominent figure in the party and in Parliament, with his dandy clothes and wonderful demeanour in speaking.

"Gerald came from a proud Jewish background. He always wanted to bring peace to the Middle East and it was my pleasure to travel with him to many countries.

"I last saw him in his lovely flat in St John's Wood in London, surrounded by film posters and a library of the film world.

"He loved life and politics. I will deeply miss him, both for his political commitment and constant friendship."

### This has all the signs of a cover up — Ashworth

Jonathan Ashworth MP, Labour's Shadow Health Secretary, responding to revelations that NHS Shared Business Services failed to deliver more than 500,000 letters from hospitals to GPs in the five years to 2016, said:

"This is an absolute scandal. For a company partly owned by the Department of Health and a private company to fail to deliver half a million NHS letters, many of which contain information critical to patient care is astonishing. Patient safety will have been put seriously at risk as a result of this staggering incompetence.

"Jeremy Hunt now needs to tell the whole truth of why patient safety has been put at risk in this way. This has all the signs of a cover up by the Health Secretary and he immediately needs to make clear what he knew and when.

"The news is heart breaking for the families involved and it will be scarcely believable for these hospitals and GPs who are doing their best to deliver services despite the neglect of the Government. We urgently need to know how this was allowed to happen, how many patients were involved and how many have been harmed, and whether patients remain at risk.

"This happened on the Secretary of State's watch and now raises serious questions about Mr Hunt's handling of this shambles.

"It appears this matter was discovered at least by January 2016, and six months later in July 2016 Jeremy Hunt chose to issue a 138 word statement to Parliament. This statement was perfunctory, complacent and evasive, failing to reveal any of the catastrophic detail of how 500,000 pieces of correspondence, including test and screening results and pathways following hospital treatment, had failed to be delivered and were in fact languishing unopened in a warehouse.

"Instead Mr Hunt glibly told Parliament that "some correspondence in the mail redirection service has not reached the intended recipients." For a Secretary of State who supposedly has transparency as his watchword this looks like he has tried to hide the scandal from patients and the public. It's totally unacceptable.

"Quite simply the public will be naturally angry that the Secretary of State who oversees NHS Shared Business Services has failed in his first duty to protect patients."

# Debbie Abrahams MP responds to comments by George Freeman, Head of No.10 Policy Unit, regarding sick and disabled people

Debbie Abrahams MP, Shadow Work and Pensions Secretary responded to comments by George Freeman, Head of No.10 Policy Unit, saying:

"Mr Freeman must immediately apologise for the comments he made regarding sick and disabled people.

"Freeman dismissed the needs of people with mental health conditions saying support should go to "really disabled people" rather than those who are "taking pills at home, who suffer from anxiety.

"Not only does this fly in the face of the commitment to 'parity of esteem' for people with mental health conditions, but it directly contradicts Theresa May's comments on mental health and two recent tribunal judgements."

### Labour announce five point plan for business rates ahead of emergency roundtable with business organisations

Labour have responded to fears about the impact of looming business rate hikes for some businesses by calling on the Government to set up an emergency transitional relief fund and take a series of measures to ease the business rate burden for business. They are also holding an urgent meeting with leading business organisations to discuss a radical shakeup of business rates in the longer term.

Business rates revaluation due to come into effect on 1 April have caused uproar as it has emerged that The average small shop will be hit by an extra £3,663 in rates over the next 5 years, while many large online retailers will see their rates cut. The Big 4 superstores — Tesco, Asda, Sainsburys and Morrisons — will see a 5.9% reduction in Rateable Value, while online retailer, ASOS, will see their rates bill fall from £1.17million to £1.14million, despite reporting UK retail sales growth of 18%.

The changes have led to calls from businesses to reform the business rates system so that it better reflects changing shopping patterns.

Labour's five point plan to help business survive the revaluation and develop a system of business taxation suitable for the 21st Century:

- 1. Set up an emergency transitional relief fund for businesses facing "cliff edge" increases in their rates, and revise the appeals process to ensure businesses get a swift and fair hearing
- 2. Bring forward CPI indexation so that businesses aren't paying more because of how inflation is measured
- 3. Exclude new investment in plant and machinery from future business rates valuation
- 4. Introduce more regular valuations in law to stop businesses facing periodic, unmanageable hikes
- 5. Fundamental reform of the business rates system to ease the burden on traditional high streets and town centres in the age of online shopping; support the traditional fabric of our communities, including community pubs and incentivising free cash machines; and create a fairer system of business taxation.

Shadow Business Secretary, Rebecca Long-Bailey, Shadow Chancellor, John McDonnell, and Shadow Secretary of State for Communities and Local Government, Theresa Pearce, will hold an emergency roundtable on Monday with leading business organisations, including the Federation of Small Business, the British Retail Consortium, and the British Chamber of Commerce.

Shadow Business Secretary, Rebecca Long-Bailey, said: "From delaying the revaluation to their failure to put adequate transitional arrangements in place, the Government have mishandled this whole process, and should provide immediate emergency relief to stop thousands of businesses going under.

"But the reality is that business rates are a ticking time bomb. It cannot be right for smaller, town centre retailers to be facing massive hikes while the Amazons and ASOS's of this world have their business rates cut. Given our long-standing productivity problem, it is madness that we tax businesses' plant and machinery.

"That's why Labour are working closely with business to radically reform our business taxation system so it is fit for the 21st Century"

Mike Cherry, National Chairman at the Federation of Small Businesses, said: "Business rates are an outdated tax. FSB is keen for all political parties to help those small firms hardest hit by the current revaluation, and to start to focus on fundamental longer-term reform of business rates to make sure it's fair for small firms. It is incredibly important to support small businesses and the self-employed so they don't face shock tax rises, so we are delighted to take part in the roundtable."

Andrew Silvester, Head of Campaigns & Deputy Director of Policy at the Institute of Directors said:

"It's hugely important that politicians on all sides look for constructive

ways to reform business rates. This is a 20th century system and in a 21st century economy it looks painfully out of date."

Christopher Richards, Senior Business Environment Policy Adviser at the Engineering Employers Federation, said:

"Establishing the principle that plant and machinery has no place in the business rates system is an important first step for all political actors to take, this is the top priority action for industry. The inclusion of plant and machinery in business rates bills represents a tax on productive investment and undermines the international competitiveness of UK manufacturing. Excluding future investments from being taxed is therefore a significant step in the right direction, is consistent with the government's industrial strategy aims and if enacted would give some confidence to manufacturers about the likely post-Brexit investment environment in the UK."