IN THE UK COVID-19 PUBLIC INQUIRY

CHAIR: BARONESS HEATHER HALLETT

On behalf of TUC Cymru

Shavanah Taj Statement

First Witness Statement in Module 9

Dated: 14 May 2025

WITNESS STATEMENT OF SHAVANAH TAJ (TUC CYMRU)

I am Shavanah Taj, General Secretary of the Trades Union Congress Cymru ("**TUC Cymru**"). My office address is Wales TUC, 1 Cathedral Road, Cardiff CF11 9SD.

1. I make this statement on behalf of TUC Cymru in response to a letter dated 25 March 2025 sent on behalf of the Chair of the UK Covid-19 Public Inquiry (the "**Inquiry**"), pursuant to Rule 9 of the Inquiry Rules 2006. This statement is made for the purposes of Module 9 of the Inquiry, which is examining the economic interventions taken by the UK Government and Devolved Administrations in response to the Covid-19 pandemic. As requested, this statement focusses on the period of time between 1 January 2020 and 28 June 2022.

2. This statement is structured as follows:
    a) Introduction;
    b) The structure and role of TUC Cymru;
    c) Arrangements for liaison and communication with the Welsh Government;
    d) Economic interventions;
    e) Conclusion and lessons learned.

A. INTRODUCTION

3. The Trades Union Congress ("**TUC**") brings together 5.5 million working people that make up its 48 members unions, from all parts of the UK. TUC Cymru is part of the TUC. It represents around 400,000 workers in Wales through its affiliated unions. TUC Cymru exists to improve the economic and social conditions of workers in Wales.

4. The sacrifice made by workers across a number of sectors was vast, from the provision of health and social care to those in desperate need, to the maintenance of an education system such that children could learn and key workers with children could work, to the transport sector which continued throughout to transport key workers, to the retail sector which allowed us to buy food, to sectors providing a variety of goods and services such as food and clothing which enabled society to continue. For TUC Cymru itself the pandemic was a significant challenge: it was a time when the need for union support was particularly acute, but union reps faced the challenges of performing their roles in the context of restrictions which, at times, precluded them from being allowed onsite and in workplaces.

5. Throughout the pandemic TUC Cymru had frequent communication and liaison with the Welsh Government. The context for the communication was the approach in Wales to social partnership, of trade unions, employers and Government working together to resolve issues. Social partnership was well embedded in Wales before the pandemic. It is about delivering change by finding shared goals and listening in order to negotiate the best possible outcome. From the start of the pandemic, Wales' social partnership model quickly became an effective way of dealing with the enormity of the situation. It demonstrated the effectiveness of ensuring that the balance was struck between the interests of employers and the interests of workers. Decisions were ultimately, of course, taken by the Welsh Government's cabinet, but we believe that the quality of decisions was often improved from the input provided by social partners.

6. It was not, of course, without difficulty. In some areas, and whatever the consultation undertaken by and will of the Welsh Government, the arrangements for devolution and the financial settlement precluded the Welsh Government from taking the action it would have wished to. It was clear during the pandemic that the Welsh Government wished to support workers and organisations financially, above and beyond the measures the UK Government had introduced. However, the UK Government's financial settlement for Wales is such that the Welsh Government's hands were tied. Some emergency financial schemes were introduced in Wales, but they were quite limited. In addition, the nature of

the devolution settlement meant that the Welsh Government lacked pre-existing channels with which to communicate key messages with workers – the Welsh Government does not control national media and it does not have direct control over all parts of the Welsh economy, including the civil service. This meant that too often there was insufficient relevant focus on how key communications supported working people in Wales.

7. A further significant issue for TUC Cymru was the disparate impacts of the pandemic upon vulnerable groups. It is widely recognised that the pandemic adversely affected some parts of the population more than others and TUC Cymru was concerned that this would disproportionately affect those that are already vulnerable. The pandemic intensified and exacerbated existing inequalities, making worse what was already a set of unequal relationships. Looking to the future, it will be important to see how the Welsh Government addresses the inequalities brought to the fore by the pandemic. We hope that it can be informed by this Inquiry.

B. STRUCTURE AND ROLE OF TUC CYMRU

8. TUC Cymru is part of the TUC and sits within the TUC's Organisational Services and Skills Department. It is an integral part of the wider organisation but autonomous in some policy areas.

9. TUC Cymru has devolved responsibility within the TUC for:
    a) matters which are within the powers of the Welsh Government and the Senedd;
    b) matters that are wholly specific to Wales; and
    c) developing policy on matters which impact substantially differently on Wales than elsewhere in the UK.

10. Regarding clearly UK-wide, non-devolved matters that do not impact Wales substantially differently to the rest of the UK, TUC Cymru provides advice to the TUC on delivery in the Welsh context.

11. TUC Cymru consists of trade unions that are affiliated to the TUC and who have members in Wales and trades union councils in Wales registered with TUC Cymru. I exhibit a list of affiliated trade unions [ST/001 - INQ000068440].

12. The general role of TUC Cymru consists of the following:

a) to promote the interests of all or any of its member organisations or the interests of past and present individual members of such organisations living or working in Wales:
b) to improve the economic, equality and social conditions of workers in Wales, whether or not such workers are employed or have ceased to be employed;
c) to give effect to the policies of Welsh Congress and to give effect in Wales to the policies adopted by the TUC and to keep trade union members in Wales informed of those policies;
d) to co-operate with and assist other organisations having similar objects to TUC Cymru; and
e) to assist in the complete organisation of all workers in Wales eligible for membership of its member organisations.

13. TUC Cymru has 21 staff members. I exhibit an organisational chart [ST/002 - INQ000068441]. In addition to me, those carrying out specific organisational roles are:
    a) Julie Cook – National Officer;
    b) Linsey Imms – National Officer;
    c) Rhianydd Williams – Policy Officer (Equalities);
    d) Ceri Williams – Policy Officer; and
    e) Ffion Dean – Digital Communications Officer.

C. LIAISON AND COMMUNICATION WITH THE WELSH GOVERNMENT

14. In this section I provide an overview of the general arrangements that existed during the course of the pandemic for communication and liaison between TUC Cymru and the Welsh Government.

Social partnership in Wales

15. An important point of context to TUC Cymru's liaison and communication with the Welsh Government is the approach in Wales to social partnership. Social partnership refers to a form of partnership working between employers and workers (through their representative organisations such as trade unions) and the government. It encourages collaboration in the delivering of public services and is intended to be a means of promoting economic growth and improvements in well-being. As the Welsh Government has described it, it *"brings together government, employers and trade unions in areas of mutual interest, to design and implement better solutions."* [ST/003 - INQ000180903].

16. Social partnership is part of an approach in Wales which has recognised the value and importance of trade unions, including the importance of collective bargaining in reducing inequality and resulting, ultimately, in a fairer and more prosperous economy. Consistent with the recognition in Wales of the value of trade unions, certain provisions of the Trade Union Act 2016 introduced by the UK Government and which imposed restrictions in relation to trade union membership and action were curtailed in Wales by the Trade Union (Wales) Act 2017. An evidenced based study of the value of trade unions in Wales was published in October 2019 by the Wales Centre for Public Policy [ST/004 - INQ000180904].

17. Social partnership was central to the approach of the Welsh Government throughout the pandemic. Before the onset of the pandemic the approach to social partnership was well established, and the Government was considering putting it on a more formal and structured footing. On 7 November 2019 Julie James AM, Minister for Housing and Local Government, published a White Paper seeking views on the Social Partnership Bill [ST/003 - INQ000180903]. In the event, the timetable for the Bill was elongated by the pandemic. The White Paper described that the Welsh Government's *"partnership with trade unions and employers is crucial to the way that we work as a Government. By coming together to discuss and collaborate, we can solve problems and find solutions to the social and economic challenges currently facing Wales."* It also described that *"There are many established social partnership arrangements between individual organisations, sector wide representative groups and recognised trade unions in Wales, some of which pre-date devolution, all of which contribute to a collective cultural common practice that define social partnership in Wales"*. That was the context for the liaison between the trade unions and the Welsh Government during the pandemic that emerged shortly thereafter.

The Workforce Partnership Council

18. One of the forums for social partnership that existed throughout the pandemic was Workforce Partnership Council (the "**WPC**"). It is a tripartite social partnership structure of the trade unions, employers and Welsh Government covering the devolved public services in Wales. Its terms of reference describe social partnership as *"a set of behaviours which all partners commit to uphold in supporting our dedicated public service workforce to deliver strong, effective public services."* [ST/005 - INQ000180905]. It operates in *"equal partnership between Welsh Government, Employers and Trade Unions – respecting the sovereignty and decision-making structure of each partner."* The WPC is described in its

terms of reference as *"a source of expert guidance and agreed direction on cross – public services workforce matters"*. The WPC is supported by a Joint Executive Committee ("**JEC**") comprising members of each of the three social partners of the WPC. Minutes of the meetings of the WPC and JEC are made publicly available.

19. The WPC meetings provided regular opportunities for union representatives, employer representatives, and members of the Welsh Government to discuss pressing concerns and developments. Government representatives were able to provide updates as to Government policy, and the unions were able to feedback concerns. WPC/JEC meetings took place on the following dates and I exhibit the minutes/meeting documents for each:

    a) 16 January 2020 [ST/006 - INQ000180943];
    b) 18 March 2020 [ST/007 - INQ000180944];
    c) 25 March 2020 [ST/008 - INQ000068442];
    d) 27 April 2020 [ST/009 - INQ000180945];
    e) 11 May 2020 [ST/010 - INQ000180946];
    f) 13 July 2020 [ST/011 - INQ000180947];
    g) 26 August 2020 [ST/012 - INQ000180948];
    h) 16 September 2020 [ST/013 - INQ000180844];
    i) 2 November 2020 [ST/014 - INQ000180845];
    j) 16 November 2020 [ST/015 - INQ000180846];
    k) 21 January 2021 [ST/016 - INQ000180847];
    l) 2 March 2021 [ST/017 - INQ000180848];
    m) 15 March 2021 [ST/018 - INQ000180849];
    n) 7 June 2021 [ST/019 - INQ000180850];
    o) 2 September 2021 [ST/020 - INQ000180851];
    p) 4 November 2021 [ST/021 - INQ000180852];
    q) 9 February 2022 [ST/022 - INQ000180853]; and
    r) 30 March 2022 [ST/023 - INQ000180854].

Shadow Social Partnership Council

20. The first iteration of the Shadow Social Partnership Council was established in late 2019. A draft Terms of Reference was produced for the meeting on 23 March 2020 [ST/024 - INQ000068443] and the Welsh Government proposed to expand the membership on 1 May 2020 [ST/025 - INQ000068444]. A definitive list of members was not shared, but the meeting minutes provide a good indication of who would typically attend [ST/026 - INQ000068445].

21. During the meeting of the SSPC on 14 May 2020 it was agreed that membership should be extended on a temporary basis due to the exceptional circumstances presented by the pandemic, and the First Minister convened fortnightly meetings of the SSPC. As explained in a letter of the Minister for Housing and Local Government of 10 June 2020, it was thought by the Welsh Government to be *"vital that we get a full and rounded view of the issues facing the public, private and voluntary sectors going forward"* and the SSPC *"provides an opportunity for social partners to engage on recovery from the Covid19 outbreak at a high level and to explore how social partnership can contribute to the more detailed planning which needs to take place"* [ST/027 - INQ000068446].

22. I am aware of SSPC meetings taking place on the following dates and I exhibit those minutes that are in my possession:

a) 23 March 2020;
b) 14 May 2020 [ST/028 - INQ000180855];
c) 28 May 2020 [ST/029 - INQ000180856];
d) 11 June 2020;
e) 25 June 2020;
f) 9 July 2020 [ST/030 - INQ000180857];
g) 20 July 2020 [ST/031 - INQ000180858];
h) 3 August 2020 [ST/032 - INQ000180859];
i) 17 August 2020 [ST/033 - INQ000180860];
j) 7 September 2020 [ST/034 - INQ000180861];
k) 8 October 2020 [ST/035 - INQ000180862];
l) 15 October 2020 [ST/036 - INQ000180863];
m) 22 October 2020 [ST/037 - INQ000180864];
n) 28 October 2020 [ST/038 - INQ000180865];
o) 12 November 2020 [ST/039 - INQ000180866];
p) 26 November 2020 [ST/040 - INQ000180867];
q) 10 December 2020 [ST/041 - INQ000180868];
r) 16 December 2020;
s) 19 December 2020 [ST/042 - INQ000180869];
t) 14 January 2021 [ST/043 - INQ000180870];
u) 28 January 2021 [ST/044 - INQ000180871];
v) 10 February 2021 [ST/045 - INQ000180872];
w) 10 March 2021 [ST/046 - INQ000180873];

x) 24 March 2021 [ST/047 - INQ000180874];
y) 31 March 2021 [ST/048 - INQ000180875];
z) 22 April 2021;
aa) 13 May 2021 [ST/049 - INQ000180876];
bb) 3 June 2021 [ST/050 - INQ000180877];
cc) 17 June 2021;
dd) 1 July 2021 [ST/051 - INQ000180878];
ee) 5 August 2021 [ST/052 - INQ000180879];
ff) 16 September 2021 [ST/053 - INQ000180880];
gg) 7 October 2021 [ST/054 - INQ000180881];
hh) 28 October 2021 [ST/055 - INQ000180882];
ii) 18 November 2021 [ST/056 - INQ000180883];
jj) 9 December 2021 [ST/057 - INQ000321219];
kk) 16 December 2021 [ST/058 - INQ000180885];
ll) 13 January 2022 [ST/059 - INQ000180886];
mm) 20 January 2022 [ST/060 - INQ000180887];
nn) 10 February 2022;
oo) 3 March 2022; and
pp) 13 April 2022 [ST/061 - INQ000321217].

23. The meetings typically took the form of an update from the First Minister on the Covid-19 situation in Wales, and then two further updates (usually from other Ministers or the Chief Medical Officer) about the Welsh Government's response to the pandemic, including briefings about Cabinet's direction ahead of the coronavirus press conferences. The SSPC would typically meet after Cabinet had taken decisions which provided an opportunity to advise on how these would be announced and what needed to be considered.

Other social partnership arrangements

24. Social partnership arrangements also played a role in advising the Welsh Government on sector-specific interventions and workforce experiences. National arrangements in the private sector and local government were used to advise on the coronavirus response, and arrangements for sectors including social care, retail, and the hospitality and night-time economy emerged in the pandemic to advise on the use of NPIs, the vaccine roll-out and financial support.

Senedd committees

25. TUC Cymru also attended and answered questions on Covid-related matters at the Economy, Trade and Rural Affairs Committee meetings on 3 March 2022 [ST/062 - INQ000180890] and 15 July 2021 [ST/063 - INQ000068451], and the following Senedd Economy, Infrastructure and Skills Committee meetings:
    a) 30 April 2020 – Covid-19: Business and Job Support [ST/064 - INQ000068447];
    b) 23 September 2020 – Covid-19: Recovery [ST/065 - INQ000068448];
    c) 4 November 2020 – Covid Recovery for All [ST/066 - INQ000068449]; and
    d) 27 January 2021 – Remote Working: Implications for Wales [ST/067 - INQ000068450].

Regular briefings

26. Early in the pandemic an arrangement was agreed for the TUC to provide regular briefing documents summarising for the Welsh Government the key and current issues being raised by the range of unions. I provide the briefing notes in my possession, dated 18 March 2020 [ST/068 - INQ000068452], 27 March 2020 [ST/069 - INQ000068454] and 3 April 2020 [ST/070 - INQ000068455]. They were sent to Jo Salway (Director, Social Partnership and Fair Work) and Jane Runeckles (Special Advisor to the First Minister). The purpose was to provide a top-line summary of the most pressing issues. For example, the 18 March 2020 briefing states the points raised as being *"the key issues raised by a wide range of unions over the last 24 hours."*

27. The concerns raised were across a number of matters and I do not set them out in full. For example, the 18 March 2020 minutes record that we called upon the Welsh Government to work with unions and the manufacturing industry to utilise excess capacity and switch to production of essential equipment for the NHS, as car plans such as Ford Bridgend had closed. The same briefing also drew the Government's attention to the TUC's March 2020 report on *Protecting Workers' jobs and livelihoods – The economic response to coronavirus* [ST/071 - INQ000119158]. The report provided key information as to the size of and particulars issues faced by different work sectors, as well as a comparative analysis of the financial support measures implemented in a number of European countries. Similarly, the 27 March 2020 briefing drew attention to the TUC's 23 March 2020 policy proposal on *Fixing the safety net: What next on supporting working people's incomes?* [ST/072 - INQ000180906].

28. A response would sometimes be provided to our briefing documents. For example, on 31 March 2020, Martin Mansfield, trade union secondee into the Social Partnership and Fair Work Directorate, emailed me in response to the 27 March 2020 briefing document referenced above [ST/073 - INQ000068457]. In his email, Mr Mansfield explained that the Welsh Government would be working on a system for dealing with concerns so that they can "*reduce duplication and respond to issues at the appropriate level and with pace*". Mr Mansfield also identified 16 issues raised by TUC Cymru where a more specific response might be required and for which he needed further detail from TUC Cymru. This line of communication – involving other officials from the Social Partnership and Fair Work Directorate – was intended to enable the Welsh Government to gather information from TUC Cymru about Covid-19 in the workplace. However, it proved to be fairly ineffective; meetings were often poorly attended and officials did not want to engage with the detail of the issues.

Informal lines of communication with Welsh Government

29. The various social partnership arrangements with the Welsh Government enabled frequent and generally meaningful communication and liaison in an appropriately formalised manner. Those arrangements were frequently supported by more informal communications between TUC Cymru and ministers, or, more usually, their supporting civil servants. An example would be the emailed briefing documents described above. I had a good line of communication with a number of ministers and their special advisors and officials. Ministers and officials with whom I had direct communication included the First Minister, Ken Skates (then Minister for Economy, Transport and North Wales), Julie James (then Minister for Housing and Local Government), Jo Salway (Director, Social Partnership & Fair Work), Jane Hutt (Chief Whip and then Minister for Social Justice), Hannah Blythyn (Deputy Minister for Housing and Local Government, then Deputy Minister for Social Partnership), and Jason Thomas (Director of Culture, Sport and Tourism). However, communications were generally focused on raising matters promptly and for the purposes of assisting and facilitating the formalised social partnership arrangements described above. I cannot recall instances of discussing matters via informal channels that were not also discussed in the formal meetings which were minuted.

D. ECONOMIC INTERVENTIONS

30. We did not have any involvement in the design or implementation of the Covid-19 Wales Business Loan Scheme, the Local Government Hardship Fund, the bus hardship fund or the Third Sector Covid-19 Fund, and have no evidence to provide on those matters.

31. TUC Cymru had no involvement in the design of the Economic Resilience Fund ("**ERF**"). This was consistent with the approach of the economy department, which tended to deal with the private sector, specifically business owners, and was less committed to social partnership than other Welsh Government departments. Unions in Wales did welcome the ERF and it was a good initiative in principle. However, in practice, we found that as businesses were unsure about what the future had in store, many did not pass on the support to workers, with staff instead put on furlough. The ERF therefore did play a part in keeping businesses afloat, but unions challenged how support might reach the employees within businesses if the ERF was not directed to wages. In September 2020, Ken Skates, Minister for Economy, Transport and North Wales at the time, did write to business owners in receipt of ERF funding, stating that he expected those businesses to engage with trade unions [ST/074 - INQ000606493]. However, the general position of the Welsh Government was that it was local authorities who distributed the ERF and that furlough was available for workers.

32. This did not take account of the fact that many workers fell through the cracks, neither qualifying for support through furlough nor receiving any support via the ERF. We saw this particularly in the creative industries with freelance workers (which I address in more detail later in this statement), and taxi drivers. Despite unions repeatedly raising throughout the pandemic the economic hardship faced by taxi drivers and the lack of financial support available to them (see [ST/075 - INQ000606494]; [ST/076 - INQ000606495]; [ST/077 - INQ000606496]; [ST/078 - INQ000606497]; [ST/079 - INQ000606498]; [ST/080 - INQ000606499]), the Welsh Government directed taxi drivers towards the discretionary assistance fund, which was a pre-existing fund for hardship administered by local authorities that I address in further detail below and insufficient for the circumstances. After Unite taxi drivers staged driving protests and ran a public campaign to be recognised as self-employed, in December 2020 the Welsh Government took steps to enhance access for taxi drivers to the hardship fund, by enabling them to claim up to £1,000 if their takings were reduced by 50% [ST/081 - INQ000606500].

i. Creative industries

33. Many working in the creative industries fell through the gaps between the CJRS and the Self-Employment Income Support Scheme ("**SEISS**"), with the workforce being transient, thereby not meeting the requirements to be employed for a certain length of time under the CJRS, but also not self-employed. Furthermore, the ERF offered little to no support for freelancers in the sector [ST/082 - INQ000606501]. However, just before the pandemic, 'Creative Wales', a Welsh Government body supporting the creative industries in Wales, had been established and unions in the sector enjoyed a good working relationship with the body. Unions highlighted to Creative Wales and Ministers these issues with the CJRS and SEISS, working together to ensure a shared understanding of the many different ways in which members in the sector worked, which was key in understanding how you might be able to support those people. It was a prime example of the benefits of social partnership – Government, unions and the sector all working together to achieve solutions.

34. In September 2020, the Welsh Government opened applications for organisations in the culture and heritage sector to apply for financial support from a £53 million Cultural Recovery Fund ("**CRF**"). The package aimed to provide financial relief to artists, arts organizations, venues, and cultural institutions that were severely impacted by the restrictions on gatherings, closures, and the cancellation of events during the pandemic

35. The Creative Wales Emergency TV Development Fund ("**ETVDF**") was a funding initiative launched by Creative Wales. The fund was created to support the TV industry in Wales during the economic disruptions caused by the COVID-19 pandemic. It was specifically aimed at helping companies and individuals involved in TV development to continue working and producing content despite the challenges posed by the pandemic. .

36. Both the CRF and ETVDF were welcomed by the Broadcasting, Entertainment, Communications and Theatre Union [ST/083 - INQ000606502] [ST/084 - INQ000606503] [ST/085 - INQ000606504]. Additionally, the Welsh Government Freelancer Fund was announced, a financial support initiative introduced to assist freelancers working in creative sectors across Wales who were impacted by the Covid-19 pandemic. This fund aimed to provide financial relief to individuals whose income had been significantly disrupted due to restrictions on events, productions, and other freelance work. It was administered by the Welsh Government, Arts Council of Wales and Sport Wales.

ii. Sick Pay

37. On 12 March 2020, the Ministers for Health and Social Care, and for Housing and Local Government, held a conference call with TUC Cymru. I followed this up on 14 March 2020, by way of a letter to the First Minister raising the issue of the number of workers in Wales being ineligible for Statutory Sick Pay ("**SSP**") and urging the Welsh Government to pressure the UK Government for clarity and certainty on what can be done in relation to hardship payments [ST/086 - INQ000068458].

38. Prior to this, on 3 March 2020 the TUC had called on the UK Government to respond to the pandemic by providing emergency support for the millions of UK workers who were ineligible for SSP [ST/087 - INQ000192239]. On 6 March 2020, TUC Cymru called on the government to tackle coronavirus by guaranteeing sick pay for all workers, regardless of how much they earn [ST/088 - INQ000180918]. We drew attention to the TUC analysis to the effect that at least 90,000 workers in Wales did not qualify for SSP. As I said then, many of the 90,000 workers were *"already struggling"* and *"won't be able to meet basic living costs if they stay home from work"* which created *"an impossible choice that has serious implications for us all."*

39. In the same month the TUC published the report, *Sick pay for all – How the Corona Virus has shown we need urgent reform of the sick pay system* [ST/089 - INQ000068474]. The report pointed to the fact that the earnings threshold for SSP disproportionality impacted women, those in insecure work, and young and older workers, who were more likely to be without sick pay. Further, the rate of SSP (at £94.25) was low, and amongst the lowest compared with European counterparts. It also expressed the TUC view that workers should be treated as suspended from work when required to self-isolate such that they can receive full pay, and that it was vital that those required to self-isolate could access statutory sick pay.

40. SSPC meetings were used to raise concerns about isolation payments and the extent to which the Welsh Government was monitoring the awareness of this amongst those who were eligible. In November 2020 the Welsh government did introduce the Self-Isolation Support Scheme which provided a £500 support payment to support those needing to self-isolate. While we welcomed the introduction of the Welsh Government's scheme we were concerned about its administration and proposed a number of ways in which it could be improved. Discussions on this continued into the new year when some improvements were made. We also expressed repeated concerns about the delays in introducing this

vital scheme – the Welsh scheme launched some time after the equivalent programme in England (the Test and Trace Support Payment scheme, introduced in England on 28 September 2020).

41. In November 2020 the Welsh Government did introduce the Covid-19 Statutory Sick Pay Enhancement Scheme which ensured that social care workers who were required to self-isolate or stay home due to Covid to receive full pay. The scheme was brought to an end in August 2022. The scheme was important and reflected the Welsh Government's understanding, in consultation with unions, of the importance of putting in place proper sick pay for social care workers. We have since called for the scheme to be continued indefinitely.

42. In January 2021, TUC Cymru set out its proposals and concerns to the Welsh Government regarding the Discretionary Assistance Fund ("**DAF**") and the £500 self-isolation support scheme [ST/090 - INQ000068475]. On 5 February 2021, TUC Cymru argued that Wales needed a better self-isolation support scheme, referring to our research with YouGov that 21% of people in Wales said that 10 days isolating would have negative financial impact, and amongst lower paid workers that rose to 43% [ST/091 - INQ000180919]. We observed that the Wales support scheme was only open to workers in receipt of certain benefits which severely limited its coverage and effectiveness, with the Resolution Foundation finding that only 1 in 8 workers qualified. As it was put by my colleague and the then TUC Cymru policy officer Joe Allen:

> *With 7,439 grants awarded [under the self-isolation support scheme] between October 23rd (the earliest eligible date) and 22nd January, that suggests that about £1.2m is going towards helping roughly 2,500 stay at home each month – a seemingly very modest amount for such an important scheme during a period when infection rates have been astronomical.*
>
> *It's not a coincidence that the countries with the best record on Covid have taken this issue seriously. New Zealand offers the equivalent of about £315 a week regardless of income as do Taiwan, Singapore and South Korea. While Finland guarantees 100% of lost income.*
>
> *Closer to home, the Scottish Government has this week recognised the need to do more. They have broadened the payments to anyone who is earning the Real Living Wage (£9.50) or below. This move will mean 200,000 more people will be able to get help.*

We should now follow this lead in Wales. It's a fairer and simpler approach than our current model. We also need to make sure that the help available is communicated effectively to all who need it.

Studies have consistently shown that when it comes to self-isolating there is a gap between what people want to do and what they actually do. Moralising and reprimanding people for not following the regulations is pointless and counterproductive if we're not giving people the proper financial help that they need to do so.

43. In February 2021 the TUC published its report, *Sick pay that works – TUC report on the urgent need for reform* [ST/092 - INQ000119057]. This repeated many of the concerns already raised. It also referred to a BritainThinks survey, carried out on behalf of the TUC, which found that almost a quarter of workers (equating to 6.4 million employees) received only basic SSP. Further, women were more likely than men to receive only statutory sick pay. BME employees were as likely as white employees to receive only SSP but were more likely to receive no sick pay at all.

44. In June 2021 the TUC published an analysis reporting that a third of key workers said they did not get sick pay [ST/093 - INQ000180921]. In December 2021 it was the TUC's analysis that 647,000 festive workers would not be eligible for any sick pay [ST/094 - INQ000180922].

45. In November 2019 the UK Government had consulted on removing the lower earnings limit from sick-pay, in a consultation: '*Health is everyone's business: proposals to reduce ill health-related jobs*'. It had been stated in the consultation document that "*The government is concerned that employees on lower incomes are missing out on the protection that SSP provides. People may be working when unwell, or relying on the benefit system, when remaining attached to their employer is likely to be more beneficial. The Taylor Review of Modern Working Practices recommended extending SSP to include those earning below the LEL. This would extend SSP protection to around 2m employees, including over 1m who work less than 16 hours per week. The government believes there is a case to accept this recommendation."* However, in July 2021, and notwithstanding the particularly acute difficulties that arose during the pandemic, the UK Government published its response to the consultation, in which it expressed the view that *"now is not the right time to introduce changes to the sick pay system"* [ST/095 - INQ000068477].

46. On 7 August 2021, the Welsh Government increased self-isolation support from £500 to £750.

47. The problem of inadequate sick pay provision, and the public health consequences, remains. In June 2022 the Wales TUC commissioned a YouGov poll which revealed that two thirds of people who had been sick in the preceding 12 months had carried on working [ST/096 - INQ000180923]. It was further reported that insecure workers were ten times more likely than workers in more secure jobs to get no sick pay when off sick, only a quarter of key workers were eligible for statutory sick pay, and one in six hospitality workers and one in eight retail workers were ineligible for any sick pay at all. As I stated when the TUC reported on the poll:

> *"The sick pay system is completely inadequate and is harming workers by making it unaffordable to stay home when they are unwell. Not only does this mean that people have to go out to work when they're sick, it means that their colleagues are also at risk if they have an infectious illness. The UK Government's complete failure to address this shows that they haven't learnt a single lesson from the pandemic and aren't interested in making the workplace fairer or safer. The reality is that the majority of workers in Wales have gone to work while they're sick during a pandemic. The UK's sick pay system is a liability and this will only get worse as more people struggle to make ends meet because of the cost of living emergency."*

48. We also called in the same statement for the Covid-19 Statutory Sick Pay Enhancement Scheme to be continued indefinitely.

iii. Universal Credit

49. The issues with Universal Credit are UK-wide, not Wales-specific, and we defer to and agree with the TUC's witness statement in this regard.

iv. Working from home and furlough

50. We understand that the TUC is providing a separate witness statement for Module 9 where it addresses the Coronavirus Job Retention Scheme ("**CJRS**"). We defer to and agree with the TUC's position and do not repeat those matters in full here.

51. On 27 April 2020 the TUC published a report on *Preparing for the return to work outside the home – A trade union approach* [ST/097 - INQ000119244] which set out the TUC's initial thinking on how the mass return to workplaces could be managed, including the need to ensure that clear advice was given to employers and working people on what any change in restrictions means for those in the 'shielded' category (i.e. those whose health conditions put them at additional risk).

52. TUC Cymru called for greater flexibility and protection for those who were classified as extremely clinically vulnerable, as set out in a briefing note to Jo Salway [ST/098 - INQ000068482]. We said:

> "*We have raised concerns about the guidance on shielding previously where it relates to extremely vulnerable people who cannot work from home. Currently, the decision on whether people in this group have to go into work is being made for them by their employer as there is no Welsh Government guidance that says: 'if you do not feel safe going into work as this means you are unable to minimise your contacts, then your employer should furlough you.' Some will be lucky that their employer does the right thing and works with them to make the decision, but many will not. And we do not want this left to chance.*
>
> *It is about individual choice – and making sure that all workers who are clinically extremely vulnerable, regardless of their job, are in the same situation where they are able to make the choice about whether or not they remain at home for the period of national restrictions. This feels entirely feasible now that the JRS has been extended."*

53. There appeared to be real confusion within the Welsh Government about the way in which the furlough scheme operated. They continually put the point across that were they to advise clinically extremely vulnerable people to consider shielding and encourage employers to permit this and furlough workers in that situation, that this would require the CJRS guidance to be changed. This was not correct and we repeatedly told Welsh Government this (for example, in an email exchange between Nisreen Mansour of TUC Cymru and Stephen Layne and Jane Runeckles in November 2020 [ST/099 - INQ000068483]).

54. Ultimately, the Welsh Government's advice to clinically extremely vulnerable people in relation to going out to work only changed on 22 December 2020 following the decisions

taken by some supermarket chains in England (only) to offer a period of full-pay leave to shielding staff following a change in advice by the UK Government.

55. On 17 December 2021, the Welsh Government published changes to its 'work from home' regulations [ST/100 - INQ000250965] whereby workers in Wales could face fines of up to £60 for leaving a place where they are living for the purposes of work where it is reasonably practicable for the person to work from home. Despite having met with the Welsh Government through the SSPC on 16 December 2021, TUC Cymru was not consulted on the plans to fine workers or made aware of the changes to the regulations. TUC Cymru issued a statement on 21 December 2021, expressing its shock and concern and urging the Welsh Government to urgently repeal the changes, although we acknowledged that the main failing was the UK Government's decision to not reinstate the furlough and SEISS schemes [ST/101 - INQ000180927].

56. The next day, on 22 December 2021, the First Minister clarified that the focus, including of any enforcement activity, would be on employers permitting and enabling home working, and that employers who did not comply were at risk of a £1,000 fine. However, we remained opposed to the idea that the potential fine on workers would help them. This was based on the incorrect premise that an individual worker is in a position to challenge their boss if they are not complying with the 'work from home' regulations. We strongly opposed the individualisation of the employer/worker relationship and again called on the Welsh Government to remove the part of the regulations which permitted enforcement officers to issue a £60 fine to individuals [ST/102 - INQ000180928].

E. CONCLUSION AND RECOMMENDATIONS

57. The UK Government's financial settlement for Wales is such that the Welsh Government's hands were tied when it came to large cale economic interventions during the pandemic. However, some emergency financial schemes were introduced in Wales, but they were quite limited. Too often the support for businesses lost sight of support for the workers that keep those businesses running. Between the ERF, the CJRS and the SEISS, a large number of working people fell through the cracks, despite repeated calls from unions for action. Where social partnership was properly put into practice, we saw positive steps taken to supporting those in need, as evidenced by the action taken in respect of freelancers working in the creative industries.

58. In order to ensure an economic response to future crises that protects those in need and keeps businesses and industries from ruin, we would highlight the following recommendations:

    a) furlough for the future needs to cover all workers, not just those who can show they were employed on a secure contract;

    b) there needs to be more transparency about other support to business in a national crisis. It should be possible to find out which businesses are in receipt and the criteria for funding should include provisions to support workers; and

    c) the economy department in the Welsh Government should formally and fully commit to the social partnership approach.

Statement of Truth

I believe that the facts stated in this witness statement are true. I understand that proceedings may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief of its truth.

Signed: **Personal Data**

Shavanah Taj

Dated: 14 May 2025