

UK workers to get 67% of pay if firms told to shut

October 9th Chancellor's Announcement and Prime Minister's Announcement Oct 12th



Employees who work for UK firms forced to shut by law because of coronavirus restrictions are to get two-thirds of their wages paid for by the government.

A restrictions update, which could see pubs and restaurants shut in the worst-affected areas, is expected today (Monday October 12th). To help alleviate the financial damage, Sunak said that from 1 November the government would subsidise pay by providing grants to all UK companies ordered to shut their doors - likely to be pubs, bars and restaurants.

The scheme, announced by Rishi Sunak on October 9th, begins on 1 November for six months and could cost hundreds of millions of pounds a month. Eligible businesses will receive grants to pay the wages of staff who cannot work and two-thirds of each employees' salary, or 67 per cent up to a maximum of GBP 2,100 a month, will be covered by the UK Treasury.

Businesses will be eligible to claim the grant only while they are subject to lockdown restrictions and employees must be off work for a minimum of seven consecutive days to qualify. The scheme will be in place for a period of six months, with a review point in January 2021.

There will also be new grants paid directly to businesses to help them meet other costs - we await further details.

The announcement comes just a fortnight after the government unveiled its [Job Support Scheme](#) - replacing the furlough scheme - to top up the wages of staff who have not been able to return to the workplace full time.

October 12th 5pm

In the last hour, we heard a statement from Prime Minister Boris Johnson about the government's latest measures to contain the spread of coronavirus.

Here are some of the most significant announcements:

- The prime minister has said he does not believe another national lockdown would be the "right course" in combating the pandemic

- Instead a new, three-tiered lockdown system will be rolled out, categorised under medium, high and very high
- Most areas in England will be put on a medium alert level - meaning current restrictions continue, including the 10pm hospitality curfew
- But areas which already have local restrictions on household mixing will be automatically put on high alert. Under this category, social mixing will be prohibited indoors and in private gardens, and many businesses will be closed including pubs, gyms and casinos. The Liverpool City Region will become the first area to enter the very high alert level
- The prime minister has also said that all retail outlets, schools and universities will remain open.