

Report says workers missed out of £2bn on holiday pay last year

11 months ago



Workers across the UK are missing out on £2 billion worth of holiday pay, according to a new report published to mark the beginning of the [TUC](#)'s 146th annual Congress on Sunday.

UK workers are legally entitled to 28 days paid leave for a typical five-day week, with pro-rata entitlement for those who work fewer than five days.

But research by the union body shows that 1.1 million employees (1 in 25 employees) did not get a single one of the 28 days' paid holiday, or equivalent, they were entitled to last year.

TUC analysis shows these missing weeks add up to £2 billion in lost holiday pay – or on average £1,800 per affected employee.

BME workers and low-paid hardest hit

The research shows that Black and minority ethnic (BME) staff were hardest hit – 6% of BME employees did not get any paid holiday last year, compared to 4% of white employees.

And low-paid workers were most at risk of losing their paid holiday entitlement. The jobs with the highest numbers of staff losing out were waiters and waitresses (59,000), care workers and home carers (55,000), and kitchen and catering assistants (50,000).

Millions missing out on key employment rights

In addition to holiday pay, the union body says millions of workers are missing out on many other basic

employment rights due to a lack of enforcement.

Recent analysis from the government's Low Pay Commission found that 365,000 workers are underpaid the minimum wage – more than one in five of all workers on the wage floor.

And the Resolution Foundation also found hundreds of thousands of workers have been shut out of basic rights like access to their payslip (1.8 million) so can't check if they are being paid correctly, and auto-enrolment into a pension scheme (600,000).

The TUC says the main reasons people are missing out on paid holiday are:

- Workplace cultures where workers fear that requesting paid time off could lead to being treated unfavourably.
- Workers being set unrealistic workloads that do not allow time to take leave.
- Employers deliberately denying holiday requests and managing out people's leave.
- Employers not keeping up to date with the law.

Five-point plan on enforcement

To address this enforcement crisis, the TUC is today (Sunday) launching its five-point plan for effective enforcement of employment rights in the UK.

The union body says that workers are currently losing out on wages and other key entitlements, while decent employers are undercut by those that don't meet their legal duties.

The TUC report supports the new Labour government's pledge to introduce a Fair Work Agency bringing together several existing state enforcement bodies. It calls on ministers to:

- Create a properly resourced single enforcement body with a strong union voice in its governance structures.
- Recycle fines back into the enforcement system.
- Increase the number of inspectors and inspections.
- Extend the licensing scheme to new sectors.
- Build international links and create a firewall with immigration enforcement to crack down on the exploitation of migrant workers.

The Fair Work Agency

As part of the Employment Rights Bill, Labour has pledged to create a new Fair Work Agency – a single enforcement body with power to crack down on bad employment practices, uphold rights at work and level the playing field for good employers who follow the rules.

It will help bolster the work of unions to ensure people are treated fairly at work.

TUC polling of more than 3,000 voters – conducted by Opinium on the day after the election – showed large-scale backing across the political spectrum for Labour's Fair Work Agency.

More than six in 10 (61%) voters support introducing a single enforcement body to make sure that workers' rights are properly enforced – with less than one in 10 (8%) against.

And the polling showed clear support for the agency across the political spectrum.

Conservative voters support the policy by a margin of around three (50%) to one (17%), and there is even more support for the Fair Work Agency amongst Reform voters (53% to 13%).

TUC General Secretary Paul Nowak said:

“We all deserve a break from work to spend time off with our friends and family.

“But more than a million working people have been deprived of any of the paid leave they are due. And hundreds of thousands more have been denied basic rights like being paid the minimum wage.

“The Conservative government sat back and let bad employers cheat their staff out of their basic workplace rights.

“Tory ministers were more concerned about stopping people getting what they were due by introducing anti-union measures, than funding enforcement bodies properly.”

On the need for the new government’s Employment Bill and Fair Work Agency, Paul said:

“Now it’s time to reset the dial and to end the Tories’ race to the bottom.

“This week at Congress we will be debating how we can drive up standards at work. These shocking findings show why we need the Employment Rights Bill and the Fair Work Agency.

“Working people deserve to be treated fairly and have a minimum floor of rights upheld.

“And there is huge support from the public – right across the political spectrum – for this.”

On the need for a level playing field, Paul added:

“Good employers have nothing to fear as they’re already playing by the rules.

“Now it’s time to level the playing field.

“Labour’s Fair Work Agency must have real teeth and hold rogue employers who think they are above the law to account.”