

Working household's income plummeted by 8 per cent



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Working households' net income fell by 8 per cent - or £268 per month - between February and the end of May, according to new Treasury estimates.

The disturbing figures come as the OBR today says 'the UK is on track to record the largest decline in annual GDP for 300 years'.



The Job Retention Scheme and the Self-Employment Income Support Scheme were the most effective Government interventions for mitigating income losses, according to the figures.



GMB, Britain's general union, said the statistics raised new fears over people's ability to pay the bills if employment support is removed as planned at the end of October.

While the figures were referred to by Rishi Sunak in the House of Commons last week, they have now been published in full for the first time in response to a written [question by Labour MP Sarah Owen](#).

The Treasury's estimates indicate losses of earnings for the lowest-income households have been mitigated on average by temporary increases to social security payments.

If those changes are reversed, as the Government plans, then the lowest earning households would also have experienced a net loss of income.

GMB is calling on Ministers to keep existing policies under review and enter into meaningful talks on sector-by-sector support packages for the worst affected industries.



Laurence Turner, GMB Research & Policy Officer, said:

"The Treasury's own estimates confirm what we already know – working households are really struggling to make ends meet.

"This is an exceptionally difficult time for millions of people, and the economic reality is that a real recovery will not be built on the back of reduced spending and incomes.



“GMB has worked constructively throughout the crisis to secure support for our members and a safe return to work. Demand is going to take longer to return in some sectors than others, and we urgently need tailored support packages for the hardest-hit industries or thousands more jobs will be lost.

“We call on Ministers to keep existing support schemes under careful review and extend them where necessary and enter into meaningful talks on a sector by sector basis to protect jobs and household incomes.”

Sarah Owen, MP for Luton North, said:

“Now we can see the true extent of the damage to household incomes, the Government should seriously look at providing ongoing support for specific sectors, so that communities can fight back and working people get the support they need.”

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