



**The Manufacturing  
Technologies Association**

62 Bayswater Road  
London W2 3PS

T: +44 (0)20 7298 6400

F: +44 (0)20 7298 6430

E: [info@mta.org.uk](mailto:info@mta.org.uk)

W: [www.mta.org.uk](http://www.mta.org.uk)

20<sup>th</sup> March 2020

**Covid-19 advice 1 – 24-03-20**

In a Press Conference at 5:00pm the Chancellor of the Exchequer announced a very large package to support employment and incomes. The largest measure is a new scheme to pay 80% of the salaries (up to £2.5k a month) of employees at risk of redundancy as a result of the virus' effects in order that they can be kept on in employment. This version of short time working, commonplace in the rest of Europe, is something that has always been resisted by Governments in the UK. It will be open to all companies large and small and will be back-dateable to March 1 and run for at least three months.

The second big announcement was that that interest free period for the Coronavirus Business Interruption Loan Scheme will now be a year, rather than the six months, that was announced as recently as Monday. Finally, for business, there was a deferral of the next quarter's VAT with time to pay until the end of the financial year, which should help cashflows.

For those who do lose their jobs there were increases in the rates of Universal Credit. There was some help with a safety net for the self-employed and a deferral of self-assessment payments but there will be criticism that the Chancellor has not gone further to prop up their incomes, but leaving aside that (and perhaps the fact that statutory sick pay levels are, for now, being left where they are) this was an impressive package of unprecedented measures. We'll be providing further details to MTA members over the next few days as a when they become available.