

Rt Hon Angela Rayner MP
Deputy Prime Minister and Secretary of State for
Housing, Communities & Local Government
2 Marsham Street
London
SW1P 4DF

7th October 2024

Dear Angela,

We are institutional investors who are members of ShareAction's Good Work and/or Long-term Investors in People's Health (LIPH) coalitions, representing \$8.62 trillion in assets under management. We are writing to express our support for the ambitious new policies which your government has announced to address the alarming public health and economic impacts of unfair employment practices. Specifically, we would like to encourage you to adopt the proposals put forward by the responsible investment charity, ShareAction, as set out below. We would also like to request a meeting with you to discuss these proposals further.

[ShareAction](#) seeks to define the highest standards for responsible investment, working with investors to take action to improve labour standards, tackle climate change and address pressing global health issues. It achieves this through productive engagement with large corporations, financial firms, regulators and policymakers, and coordination of influential investor coalitions. As investors in those coalitions, we use our voice to encourage companies to provide fair treatment for workers and play an important role holding companies to account.

We know a priority for this Government is implementing the Plan to Make Work Pay. We agree it is vital that work enhances people's lives and wellbeing, rather than having a detrimental impact on their health. We note that the King's Speech included a commitment to deliver a genuine living wage that accounts for the cost of living, alongside the Employment Rights Bill.

[OECD figures](#) suggest that the UK has among the highest levels of income inequality in the European Union (as measured by the Gini coefficient). Income and wealth inequality not only impact individuals and their families but also lead to economic and social instability. This is harmful for both businesses and diversified investors, whose interests are aligned with the overall health and resilience of the economy. Closing global living wage gaps could generate as much as [\\$4.56 trillion](#) every year through increased productivity and spending, benefitting workers and diversified investors. **We are therefore calling on the Government to deliver a minimum wage that accounts for low-paid workers' cost of living.**

Alongside introducing a real living wage, we would also like to see ambitious policies which **make work more secure and make sick pay fairer**. We are encouraged that the Government has committed to delivering its New Deal for Working People in full and that these issues will form part of the Employment Rights Bill.

We agree that workers should have a right to a contract that reflects the number of hours they regularly work. However, we would like to see 'reasonable' notice defined more clearly with at least **a four week notice period for any changes in shift with compensation for shifts cancelled within this period**, in line

with the Living Hours standard. Insecurity of work and guaranteed hours can result in financial hardship and families being unable to meet their basic needs, as well as mental health issues and challenges in balancing work with caring responsibilities. Conversely, job security is highly prized by workers and therefore can help retain talent and reduce turnover.

Lastly, we would like to see the Bill include **an increase in the rate of Statutory Sick Pay (SSP) from the current rate of £109.40 per week**, along with the planned removal of the waiting days requirement and lower earnings threshold. Many employees are forced to choose between coming to work sick or struggling to make ends meet. [Evidence shows](#), based on conservative assumptions, that the UK would benefit from a boost of up to £4.1 billion if every worker relying on SSP received a higher rate of employer sick pay from day one. We would be delighted to work with the Government to identify an increased SSP rate which works for businesses and is fairer for workers.

The link between employment practices and employee health is evident. We therefore consider comprehensive changes to employment practices, and ultimately improving population health, as absolutely foundational to the long-term stability of our country and the long-term sustainable growth of our economy.

We would be delighted to meet with you and hope this letter will bring awareness of the investor interest in these policy areas. We look forward to hearing from you.