Minister wants fairness for interns

BUSINESS MINISTER Vince Cable, launching an event for “fairer recruitment” in creative industries on 4 July, said: “The law on the National Minimum Wage is clear and interns need to be paid in a fair way. Anyone who feels they are being exploited should contact the Pay and Work Rights Helpline (www.gov.uk/pay-and-work-rights-helpline) on 0800 917 2368 who will actively investigate every complaint.”

The event was organised by training organisation Creative Skillset, (www.creativeskillset.org) which wants more employers to adopt fair approaches to the way they recruit and pay interns. The campaign calls on employers to improve access and diversity in the creative workforce and advocate best practice by adopting Skillset’s updated Guidelines for Employers Offering Work Placement Schemes. Many companies run successful programmes and examples of best practice are included in the guidelines.

As of July, as reported in the Daily Mail, nine British companies had been ordered by Her Majesty’s Revenue and Customs to pay a total of £192,808 in fines – and back pay – to 167 interns at the minimum wage of £6.19 an hour (going up to £6.31 in October) HMRC wouldn’t name the companies.

Universal Credit – weekly-sign ons for tax credits

THE LATEST bad news on Universal Credit (UC) is that “in-work conditionality pilots” are being rolled out in ten Jobcentres, including Hammersmith. For the moment, these pilots will affect only Job Seekers’ Allowance claimants. Self-employed people who have their income topped up by benefits such as Working Tax Credit will remain largely left alone by the Jobcentres, for now.

But “in-work conditionality” is likely to eventually be extended as part of the full-blown national UC roll-out planned to start in October. This raises the spectre of much more Jobcentre intervention in the lives of the millions of Workers on Benefits (WoBs), with the aim of encouraging “claimants to progress in work.” This “progression” would presumably include compelling freelance WoBs to give up their unpredictable underemployment in irregularly-paid journalism work in favour of badly-paid, unskilled salaried work with regular hours.

There have also been noises from the Department of Work and Pensions suggesting that some types of benefit will move from the current requirement of fortnightly signing-on at the Jobcentre to weekly sign-ons. As everyone who’s been there knows, nothing quite knocks on the head your attempts to solicit and carry out work like having to drop whatever you’re doing and race across town to sign on.

The Guardian reported in June that software problems could mean delays to the October 2013 launch of UC. Faced with these glitches, the DWP could meanwhile resort to tweaking Working Tax Credits instead. Watch this space.

© Matt Salusbury; additional reporting by Rosanne Rabinowitz

Demand safety for journalists!

PLEASE SUPPORT the campaign to protect the safety of journalists in Turkey and to free those in jail – write to your local Member of Parliament (MP), and contact your European parliament representatives, calling on them to take immediate action to stop the crackdown from escalating. And as of early August, there were 64 professional journalists in prison in Turkey – the highest number for any country in the world. See the International Federation of Journalist’s campaign webpage at http://europe.ifj.org/en/pages/turkey-campaign-set-journalists-free – and to find your MP use www.theyworkforyou.com and for Members of the European Parliament see www.europarl.org.uk/view/en. If you are concerned about a colleague who may be working in Turkey then please get in touch via campaigns@nuj.org.uk

QUANTITATIVE easing is coming to an end, Ion Tsakalis warned London Freelance Branch at its July meeting, and the result is that anyone who has any form of debt – mortgage or otherwise – will find it getting more expensive. Ion is a Chartered Financial Planner and Independent Financial Adviser. Then he got gloomier.

“What happens if you get sick? Unless you plan to exist on poverty-line benefits, or unless you have assets, it’d be good to plan for the worst... some form of insurance? Twenty years ago I’d have been talking about pension plans... now I just hope people can make some kind of plan.” Ask: when would you like to stop working? What would you need to live on?

Financial advisers used to do pro-bono advice – “you want this pension?” Now the field is more varied, with clients relying on second properties, downsizing, other investments and so on. Ion gets asked a lot whether he thinks personal pensions – without employer contributions – are in people’s interest. True, if you pay in £80 in you get £20 tax credit. But when you draw on it, though, 75 per cent will come to you as taxable income. On the other hand a couple can pay £23,000 a year into Individual Savings Accounts (ISAs)... and although there is no tax relief the proceeds come back free of capital or income tax. That may be preferable.

One thing that upsets Ion is “how deficient people’s estate planning is. Who has a will?” Many hands went up. “And who has a trust alongside it?” No-one owned up.

“I have a wife and two children: whatever I build up should go to them. If I die before my wife, and my will simply says my estate goes to my wife, and if she is not around to pass it to my children, there’s no guarantee the children get anything.”

Ion outlined a possible scenario after his death: his wife remarries and then they divorce. The new husband “walks off with... half my estate.” In another “thoroughly miserable picture,” Ion’s future widow “ends her days in a care home – and the local authority will be taking the assets she inherited from me to pay for it. But if the money were in a family trust, they’d have difficulty doing that... a trust is a good plan. She can benefit during her lifetime, and the remainder will pass to my children.”

We also heard in the same meeting from accountant Eric Longley on paying just as much tax as we have to: for a report see page 1. © Mike Holderness

Put it in your trust...

© Matt Salusbury; Photo © Hazel Dunlop

Ion Tsakalis: do prepare for those events you’d rather not think about!