

# As COVID-19 deaths pass 17,000, UK corporations scramble for bailout funds

Robert Stevens  
22 April 2020

The official number of deaths in Britain due to COVID-19 is heading towards 20,000. A further 873 fatalities were announced yesterday, taking the official total to 17,337.

This is just those who have died in hospital and does not include those who have died in residential care homes or at home. Due to the delay in recording and registering deaths of mainly elderly people, the latest figures relating to deaths outside hospital only go to April 10.

In England and Wales, the number of COVID-19 fatalities in care homes more than quadrupled in a week, according to the Office of National Statistics (ONS). Deaths rose to 1,043—up from 217 the previous week. These are significant underestimations, with various care organisations already reporting up to 7,500 COVID-19 related deaths in care homes.

On Wednesday, the *Financial Times* published its own analysis of the ONS data and based on extrapolations concluded that a conservative estimate of UK excess deaths by April 21 was 41,102. It added, "The estimate is more than double the official figure of 17,337 released by ministers on Tuesday, which is updated daily and only counts those who have died in hospitals after testing positive for the virus."

The FT noted, "The ONS data also showed that deaths at home and in care homes had also jumped sharply during the pandemic. In the week ending April 10, deaths in care homes reached 4,927, almost double the figure of 2,471 a month earlier."

The newspaper concluded, "As 24 per cent of deaths normally occur in care homes in the UK, the analysis suggests that just under 11,000 more people than normal have died in residential care since the start of the outbreak."

The ONS figures showed that 18,516 total deaths were registered just in the week to April 10. The impact of the pandemic can be seen as these fatalities were 75 percent

above normal for England and Wales and the highest level for more than 20 years. During the same week, the average number of deaths over the last five years was 10,520.

Despite the widely cited claim from one Oxford University scientist that the coronavirus peaked on April 8, hundreds continue to die every day. On just two days in the last week did coronavirus deaths in the UK not top 800.

The social crisis triggered by the coronavirus crisis is worsening daily. On Tuesday, it was reported that the number of people applying for the punitive Universal Credit benefit had shot up by 1.8 million in just the six weeks to April 12. According to a poll by the Citizens Advice charity, a fifth of people in Britain had already applied for welfare benefits or were expected to do so as a result of the virus. Millions are out of a job as companies laid them off temporarily or permanently as the lockdown began on March 23. The *Financial Times* reported that the Department for Work and Pensions was forced to make "513,000 advance payments to those in urgent need of money in the four-week period to April 12."

Unemployment is expected to surge further with the FT noting KPMG chief economist Yael Selfin stating that as more than a third of all UK jobs were in sectors highly affected by the lockdown, unemployment could rise close to 9 percent.

The Resolution Foundation said that a six-month lockdown could see unemployment top 5 million in 2021 as the government phases out the Coronavirus Job Retention Scheme (CJRS).

CJRS was announced nearly a month ago by Tory Chancellor Rishi Sunak and represents a staggering bailout for the corporations worth hundreds of billions. It allows firms to furlough employees with the government paying cash grants of 80 percent of their wages up to a maximum of £2,500, initially for three months.

Last Friday, as the government announced that the lockdown would last at least another three weeks, Sunak announced that the CJRS would be extended until June.

On Monday, the scheme officially opened for companies to make claims. On the first day more than 140,000 firms applied, 67,000 claims within half an hour of it going live.

It is estimated that the number of workers employed by companies who have applied so far is more than 1 million.

More companies than the government forecast have already applied for a bailout. According to the Resolution Foundation, up to 8 million workers could be furloughed over the coming weeks. Other estimates are that 11 million workers (a third of the entire workforce) will eventually be moved into the scheme—with big businesses shovelled up to £60 billion in the process.

With millions of workers laid off and their immediate future insecure, many will be forced into permanent unemployment. *Guardian* economics editor Larry Elliott pointed to an analysis to be published this week by the National Institute of Economic and Social Research. “They estimate that the US unemployment rate will have risen almost five-fold in April to 20 percent ... On the assumption that furloughed workers are in reality unemployed, Blanchflower and Bell predict unemployment in the UK will rise by 5 million to more than 6 million by the end of May. If they are right, this would give the UK a jobless rate similar to that of the US—about 20 percent.”

Blanchflower and Bell are correct in their assessment, says Elliot, that “furloughed workers are really an army of the hidden unemployed, and they will become a lot more visible if during the second half of this year, the government ends the wage subsidies but the economy does not snap back as quickly as ministers hope.”

Wages of workers on the scheme are set to be continually slashed. The *Sunday Telegraph* offered a glimpse of the discussions taking place in ruling circles to pile the debt burden on the working class, editorialising, “One suggestion is to extend the furlough into the autumn but cover only 50 percent of salaries to limit costs.” Further social opposition could be sparked, noted the newspaper with “Ben Broadbent, the Bank of England’s deputy governor” warning that “even when the lockdown is eased there will be substantial popular resistance to returning to normal activity.”

Everything is being done to satisfy the profit lust of the corporations. John Lewis furloughed its entire 14,000 department store staff under the government’s scheme,

and will also profit to the tune of £135 million this year due to the business rates holiday—part of an additional £22 billion “coronavirus boost” for the corporations.

Virgin Airlines’ multi-billionaire tax exile Richard Branson previously called for UK aviation companies to receive a £7.5 billion bailout from the state. He is now preparing the final touches for Virgin’s raid on the public purse of around £500 million. Last month, Branson lost no time in instructing Virgin Airlines staff to take eight weeks of unpaid leave. Branson claimed this week that his airline faced collapse: “The reality of this unprecedented crisis is that many airlines around the world need government support and many have already received it.”

Branson, with a personal fortune of over £4 billion, owns a 51 percent stake in Virgin Airlines. His state bailout extortion has elicited anger from Virgin workers and among the working class in general. Over 95 percent of people replied “No” to a Twitter poll asking, “Should the UK government give him [Branson] the £500 million bailout he wants?”

One of the many Twitter users denouncing Branson commented, “I’m stunned by the brass neck of this man. I suppose you don’t make it to £4.7 billion personal wealth without being a sociopath. I don’t know if he is, but to have the cheek to ask for £500 million in public funds when you’ve avoided tax for 14 years...”

Another said, “Nurses are starting shifts and they are down to their last set of PPE [personal protective equipment]. Richard Branson is down to his last private Caribbean island. Difficult to know where to spend that £500 million isn’t it [?]”



To contact the WSWs and the  
Socialist Equality Party visit:

**[wsws.org/contact](https://wsws.org/contact)**