
Employment Rights Bill

An overview of the UK Government's proposed employment reforms and their impact on workplace rights and responsibilities.



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On 10 October, the UK Government introduced its new Employment Rights Bill, marking the most significant overhaul of UK employment law in decades. Ministers assert that the proposals will create fairer workplaces and better address modern needs for both workers and employers, while also fostering economic growth.

The 158-page **Employment Rights Bill** has been submitted to Parliament, where MPs will debate and scrutinise it throughout October and November. Several provisions will undergo consultation next year, and most proposals, if approved by Parliament, will not take effect until 2026, allowing employers time to prepare for the changes.

Key Employment Reforms

Day One Protection

Employees will be protected from unfair dismissal, with employers still able to operate probationary periods. They will also be entitled to paternity, parental, and bereavement leave from their first day on the job, eliminating the current two-year waiting period.

Zero-Hour Contracts

The Bill addresses exploitative zero-hour contracts, allowing workers on regular hours to request guaranteed hours while preserving flexibility for those who prefer it.

Fire and Rehire

The Bill aims to end 'fire and rehire' and 'fire and replace' practices, preventing companies from re-hiring employees on worse terms.

Statutory Sick Pay

Sick pay eligibility will be expanded by eliminating the lower earnings threshold and removing the waiting period before it begins.

Fair Pay

The Government has revised the Low Pay Commission's remit to consider the cost of living when recommending the National Minimum Wage rate. This Bill will also remove age bands, ensuring that every working adult is entitled to the same minimum wage, regardless of age.

Flexible Working

Flexible working will become the default, unless employers can show why it is not practical for their business.

Pregnancy

Protections for pregnant women and new mothers returning to work will be strengthened, specifically safeguarding them from dismissal during pregnancy, while on maternity leave, and for six months after returning to work.

Pay Disparities Between Men and Women

Large employers will be required to produce action plans to address pay gaps between men and women.

Trade Union Rights

All restrictions on trade unions introduced by the previous Conservative administrations over the past 14 years will be repealed, and a series of new powers will be granted.

Employers will be required to inform all employees of their right to join a trade union. Union representatives will have the right to enter workplaces to recruit and organise new members. Additionally, unions will find it easier to gain formal recognition and initiate industrial action, as ballot rules are relaxed and online voting is permitted

Union Equality Officers will gain the right to take time off for activities that 'promote equality in the workplace,' mirroring the rights currently available to union representatives. Employers will also be required to provide union representatives with facilities, such as office space.

Additionally, employees will need to opt out of political funding to the Labour Party and other campaign activities, reversing current laws that require them to opt in.

This Bill mandates companies to formally recognise a trade union if a certain number of employees join. For collective bargaining, ballots will no longer require at least 40% turnout to proceed. For industrial action, the ballot requirements will shift to a simple majority of those who vote, instead of the current threshold of 50% of union members needed to call a strike.

Enforcement

Labour ministers propose the establishment of a new Fair Work Agency, consolidating existing enforcement functions into a single public body, which will include:

- Minimum wage and statutory sick pay enforcement
- The employment tribunal penalty scheme
- Labour exploitation and modern slavery
- Introducing a new role to enforce holiday pay and sick leave policy



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