

Labour's "Plan to Make Work Pay: Delivering a New Deal for Working People"

The King's Speech in July 2024 set out details of two new Bills for employment law and raised further areas for change.

Employment Rights Bill

This will introduce new laws to implement the proposals under Labour's 'New Deal for Working People'. It is expected that the new legislation will include:

- **Day 1 rights for all workers** – this will cover rights for parental leave, sick pay and protection from unfair dismissal. It is expected that the protection from unfair dismissal will be subject to special rules for probationary periods but further details are not yet available.
- **Zero-hour contracts** – banning exploitative zero-hour contracts making sure that workers have a right to a contract that reflects the hours they regularly work and the ending of one-sided flexibility.
- **Fire and rehire/fire and replace** – ending current practices by reforming the law and replacing the statutory code currently in place.
- **Sick pay** – removal of the lower earnings limit and waiting period for Statutory Sick pay.
- **Flexible working** – making flexible working the default position for all workers from day one of employment and requiring employers to accommodate this as far as is reasonable.
- **Protections for new mothers** – strengthening rights making it unlawful to dismiss a woman who has had a baby for six months after she comes back to work (with certain exceptions).
- **Fair Work Agency** – creation of a new Agency to enforce workplace rights.
- **Fair Pay Agreement** – introducing of a new agreement for the adult social care sector.
- **Repealing the law** on minimum service levels in relation to industrial action.
- **Simplifying the process** of statutory recognition for trade unions.
- **Introducing a right** for workers and union members to access a union within workplaces.

A timetable has not yet been published for the implementation of the proposed changes but the promise by Labour to introduce the Bill within the first 100 days of taking office suggests that the Bill may be presented to Parliament in the autumn this year. The Bill would however still need to pass through both Houses of Parliament and this process may take some time before changes are actually implemented.

Draft Equality (Race and Disability) Bill

This draft Bill will tackle inequality for ethnic minority and disabled people to create a more equal society and to support a growing economy. The draft Bill will look to:

- **Expand the equal pay protections** to make it easier for them to bring forward equal pay claims where they have been underpaid; and
- Introduce **mandatory ethnicity and disability pay reporting** for larger employers (250+ employees).

Other changes to look out for

The King's speech made reference to other changes which include:

- A commitment to **link the national living wage to the cost of living** and to remove the lower rate for 18- to 20-year-olds.
- **Reform of the apprenticeship levy** and the creation of a new body, Skills England in partnership with employers.
- Facilitating the investigation of **serious teacher misconduct**.

The information contained in this article is provided for guidance. It is provided for your information only and should not be used as a substitute for obtaining legal advice that is specific to your particular circumstances. It is strongly recommended that you seek advice before taking action.