



GUIDE

General election 2024: What might a Labour Government mean for employers?

With a general election confirmed for 4 July 2024, senior legal editor Fiona Cuming looks at two key areas where Labour's employment law proposals, if implemented, would transform the face of employment law in the UK and have significant implications for employers.

Based on recent opinion polls, and by-election and local election results, there is a strong likelihood that the Labour party will win the general election.

Following on from its [Green Paper on employment rights](#), Labour unveiled its latest employment law proposals on 24 May 2024. [Labour's plan to make work pay: Delivering a new deal for working people](#) contains some radical proposals.



Creating a single status of “worker”

Currently, the UK has three types of employment status: employees, workers, and the self-employed. Only employees are entitled to all the statutory rights.

As the distinction between these categories can be complex and give rise to legal disputes, Labour is proposing to create a single status of “worker” for all but the genuinely self-employed. Labour intends that these “workers”, regardless of sector, wage or contract type, would be entitled to all the statutory rights and protections, including:

- protection against unfair dismissal;
- redundancy rights (including the right to consultation);
- right to minimum period of notice;
- family-related leave and pay; and
- right to request flexible working.

What would this mean for employers?

Employers would need to:

- analyse the composition of their workforce and identify all those impacted by the extended statutory protection;
- make any necessary changes to working arrangements;
- review and amend contracts and policies and procedures; and
- assess the financial ramifications.

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Changes to unfair dismissal law

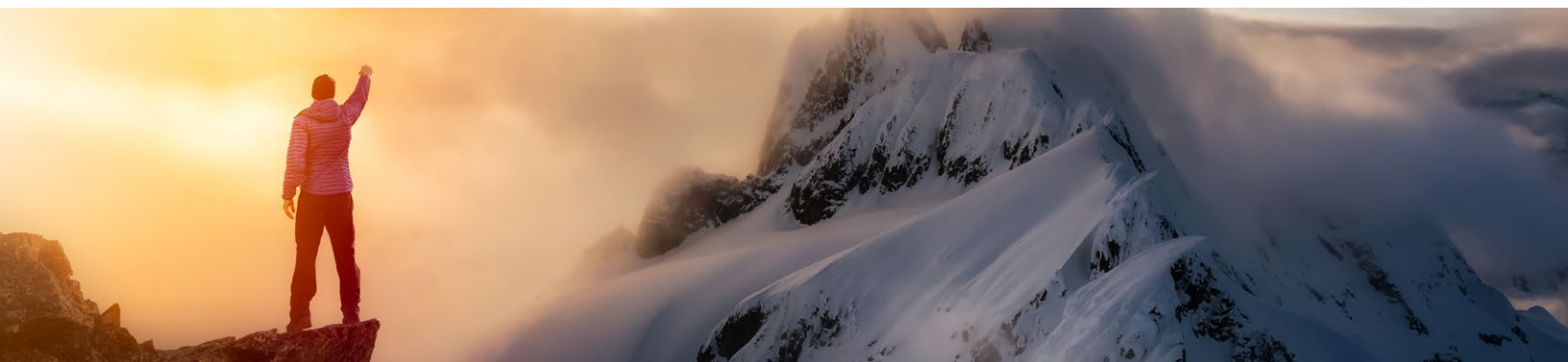
Currently, employees must have two years’ service before they can bring a claim of ordinary unfair dismissal. One of Labour’s proposed changes that is getting a lot of headlines is its proposal to remove this requirement and make it a day one right. Other proposed reforms include:

- extending the time limit for bringing an unfair dismissal claim (currently three months); and
- extending the right to all workers, not just employees.

What would this mean for employers?

Employers would need to:

- review their recruitment policies and procedures to ensure that they allow the best candidates to be appointed;
- make sure probationary periods for new recruits are implemented effectively as dismissal at the end of a probationary period is likely to be less problematic than at a later date;
- consider reducing the length of the notice period required by the organisation, subject to the statutory minimum;
- ensure robust performance management procedures are in place to identify capability issues at an early stage and that performance management is carried out fairly and consistently;
- give employees a reasonable opportunity to improve their performance, including additional training and support when appropriate;
- create an inclusive workplace that is free from harassment and bullying and less likely to give rise to claims of constructive dismissal; and
- follow a fair procedure before dismissing a worker.



Potential timeframe for reforms

Labour's current plan, if it wins the general election, is to "hit the ground running" and introduce legislation in Parliament within the first 100 days (ie by 12 October 2024).

Labour has denied claims that it will water down its proposed reforms and has stated that it is working with

affiliated unions "at pace on how a Labour government would implement [them] in legislation".

There may be some tweaking of the proposed reforms and we may know more when Labour publishes its manifesto. We will, of course, keep you up to date on general election developments, including the employment proposals of the other parties as and when they are published.

Other proposed reforms

Labour has proposed 50 or so other employment law reforms, including:

- tighter controls on zero-hour contracts and ending one-sided flexibility;
- tighter controls on the practice of fire and rehire;
- bringing in the "right to switch off";
- repealing anti-trade union legislation and strengthening trade union rights;
- giving greater protection to those with caring responsibilities, including paid carer's leave;
- strengthening statutory sick pay and making it available to all workers; and
- introducing measures to end gender, ethnicity and disability pay gaps.



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