

General election: What a new government could mean for employment law

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It is inescapable that the UK will be going to the polls in just over a weeks' time as the General Election is set to take place on 4 July. All of the main political parties have now published their manifestos, but what impact is a new government likely to have on employment law? That of course depends upon who wakes up in Downing Street on 5 July. Below we look at the key election pledges of each of the main parties and what it might mean for employers going forwards.

The Labour party:

Prior to publication of their manifesto, Labour had already set out its plans for employment in "Labour's plan to make work pay: Delivering a New Deal for Working People". The Labour party manifesto commits to implementing the Plan in full, including introducing legislation within 100 days. Labour pledges to "consult fully with businesses, workers, and civil society on how to put [their] plans into practice before legislation is passed". The key features of the Plan include:

- Banning exploitative zero hours contracts
- Ending fire and rehire
- Establishing a Fair Pay Agreement in adult social care, setting fair pay, terms and conditions and training standards
- Recruiting 6,500 new expert teachers in key subjects
- Changing the remit of the independent Low Pay Commission so that it accounts for the cost of living
- Avoiding any increase in national insurance and income tax
- Removing the age bands on the National Minimum Wage and ensuring it is a genuine living wage
- Tackling the Access to Work backlog and improving employment support and access to reasonable adjustments for disabled people
- Introducing a Race Equality Act and ethnicity pay gap reporting for large employers
- Taking further action to reduce the gender pay gap
- Strengthening equal pay rights and protections from maternity and menopause discrimination and sexual harassment
- Enacting the socio-economic duty within the Equality Act 2010
- Introducing a full right to equal pay for disabled people and disability pay gap reporting for large employers
- Introducing basic rights from day one to parental leave, sick pay, and protection from unfair dismissal
- Creating a Single Enforcement Body responsible for ensuring employment rights are upheld
- Strengthening rights around workplace whistleblowing and sexual harassment

[Labour Party Manifesto](#) →

Labour's plan is no doubt ambitious and Labour themselves have touted it as the "the biggest upgrade to rights at work for a generation". Whilst not all pledges will require legislation to effect a change, for example, changing the remit of the Low Pay Commission, legislation and consultation will be required to bring into effect other pledges such as a new Race Equality Act. Therefore, whilst it is possible that draft legislation may be introduced within the first 100 days, it will likely take longer before such measures actually become law.

The Conservative party:

The key highlights are:

- Amending to the Equality Act 2010 to define sex as biological sex
- Maintaining the National Living Wage at two-thirds of median earnings during their next government
- A further reduction of 2p off employee National Insurance contributions (with a long-term plan to abolish it in due course)
- Tax cuts to support the self-employed by abolishing the main rate of self-employed National Insurance by the end of the Parliament
- Continue the implementation of Minimum Service Level legislation for public services
- Overhauling of the fit-note system to move away from GP-issued fit-notes
- Carefully considering the implications of the review of the whistleblowing framework for the NHS and consulting on a disbarring regime for NHS managers

[Conservative Party Manifesto](#) →

The Conservative manifesto signals more a “business as usual” approach whereby employment related policies feature but with the party choosing to legislate when the need arises. This has been seen during the term of the last government with recent legislation introduced in relation to holiday entitlement and pay and the new duty to prevent workplace sexual harassment (due to come into force later this year).

The Liberal Democrat party:

The Liberal Democrats have set out their plans in their manifesto entitled “For a Fair Deal”. The key highlights are:

- Creating a new ‘dependent contractor’ employment status in between employment and self-employment, with entitlements to basic rights such as minimum earnings levels, sick pay and holiday entitlement
- Setting a 20% higher minimum wage for people on zero-hour contracts at times of normal demand to compensate them for the uncertainty of fluctuating hours of work.
- Giving a right to request a fixed-hours contract after 12 months for “zero hours” and agency workers, not to be unreasonably refused
- Reviewing the tax and National Insurance status of employees as well as the Government’s IR35 reforms to ensure self-employed people, dependent contractors and freelancers are treated fairly
- Provide day-one rights for all parental leave and pay rights and an extension of the rights to self-employed parents
- Double Statutory Maternity and Shared Parental Pay to £350 a week
- Increase pay for paternity leave to 90% of earnings, with a cap for high earners
- Introduce an extra use-it-or-lose-it month for fathers and partners, paid at 90% of earnings, with a cap for high earners
- Require large employers to publish their parental leave and pay policies
- Require large employers to monitor and publish data on gender, ethnicity, disability, and LGBT+ employment levels, pay gaps and progression, and publish five-year aspirational diversity targets
- Make caring and care experience protected characteristics as well as the introduction of paid carer’s leave and a Carer’s Minimum wage
- Create a new Worker Protection Enforcement Authority responsible for enforcing the minimum wage, tackling modern slavery and protecting agency workers
- Make statutory sick pay available to those earning less than £123 a week, align it with National Minimum Wage and make it available from the first day of missed work
- Create a new right to flexible working and a right for every disabled person the right to work from home, unless there are significant business reasons why it is not possible
- Create a right to request shares for staff in listed companies with more than 250 employees
- Introduce paid neonatal care leave
- Change the burden of proof in employment tribunals proceedings on employment status from individual to employer

[Liberal Democrat Manifesto](#) →

In terms of policy, there are some key themes and overlap with Labour’s Plan, for example the creation of a single enforcement body (although this was also proposed under the last Conservative government but was not brought into effect) and the right to SSP from day one. Further, whilst more detail would be needed the new proposed “dependent contractor” status looks to be very similar to the existing status of “worker”.

Aside from the three main political parties, other notable employment proposals include:

The Green Party:

- Create a legal obligation for all employers to recognise trade unions and the repeal of 'anti-union' legislation which is to be replaced with a Charter of Workers' Rights
- Introduce a 10:1 pay ratio for all private and public-sector organisations
- Increase in the National Minimum Wage to £15 across all ages
- Create identical employment rights for all workers from day one of employment
- Introduce a four-day working week
- Increase pay and a new career structure for carers
- Remove the upper earnings limit for National Insurance contributions

[Green Party Manifesto](#) →

Reform UK:

- Repeal the Equality Act 2010 and abolish all diversity, equity and inclusion roles
- Abolish IR35 rules to support sole traders
- Repeal employment laws that "make it riskier to hire people"
- Lift the Income Tax Start Point to £20,000 per year
- Introduce tax relief for businesses that undertake apprenticeships
- Leave the European Convention on Human Rights and introduce a British Bill of Rights

[Reform UK Manifesto](#) →

Conclusion

We will have to wait and see what happens on 4 July to see which of the parties' manifesto will be the one to take effect. Therefore, although there may be changes ahead for employers these changes will inevitably take time to implement which will afford employers time to prepare. That said, it is interesting to note the proposals in the manifestos as they often provide insight into the direction of future public policy and potential changes to employment rights and obligations.

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