

## Employment Law Discussion Document

This discussion document is intended to help FSB Regions consider the impact of recent changes in Employment Law on their businesses. The results will be compiled into a summary document which will be used for lobbying MPs, MEPs and others involved in changing the laws and drawing up the regulations.

Please let Vivienne Rayner have your comments by February 20<sup>th</sup> at the latest please.

The activity is important for two reasons – over the Party Conference season we heard whispers that there were to be more changes to employment law to make it even more family friendly – as **Carol Undy, FSB National Chairman, said:**

*“Small businesses are often in the vanguard of new family-friendly policies as the workers and the boss are usually in the same room. They can therefore work out ways of working to suit the work/life balance much more easily than in a large business.*

*“However, when the Government gets involved in this equation it can create antagonism that was not present before. What was once a good-natured compromise becomes a confrontation.*

*“So the message is clear to all political parties. Family-friendly policies are no doubt done with the best of intentions but implementation must be done carefully - with the needs of employers fully considered - if the economic well-being of the country is not to be put at risk. Restricting small business growth will cost jobs and that will benefit no-one. I will be at the party conferences with FSB colleagues to make sure that this message gets through.”*

The other important reason is that there is now a move to simplify employment law to help small businesses. This results from our lobbying backed up by research carried out by the SBS amongst our members!

Over that last few years, changes in employment law have

- i. provided for more maternity leave,
- ii. Introduced paternity leave paid for in the same way as maternity leave,
- iii. Introduced the legal requirement for a written statement of dismissal, disciplinary and grievance rules which is effectively legislation on workplace disputes
- iv. Introduced restrictions and rules governing Working time and breaks
- v. made Disability Discrimination an offence
- vi. made Age Discrimination an offence

And every year, we see the minimum wage being increased.

And there is now a proposal that Bank Holidays be in addition to the statutory 4 weeks holiday, instead of included as they are at the moment.

**Please remember, we are interested in things that work well and help your business, as well as things that have/are causing you problems.**

**1. How have employment laws and the changes listed above affected your business?**

**2. How have they affected your sector?**

**3. In addition to directly affecting your business or sector, are you aware of anyway employment laws have affected the service you receive from your suppliers?**

It would be really helpful if the effects could be quantified. For example, my deliveries now only take place between 10am and 3pm, right at my busiest time when it is difficult to park. Or I have now employed a part time HR specialist to make sure I don't get caught. This is costing me £X a year. Or I am spending 10 hours a month extra on paperwork, which is 10 hours away from the business

**4. Which is the change that has caused you most problems? In what way did it cause you problems?**

**5. Were there any changes you found helpful to your business?**

**6. If as seems likely the UK official guidance requires employers to make sure lunch and other breaks are taken up, how will this affect you?**

At the moment, UK official guidance requires employers to allow breaks such as lunch breaks to be taken. Because the UK recently lost a European Court ruling the UK Government will have to change its official guidance to employers, making it much stronger in ensuring lunch and other breaks are taken up by staff.

Example of other breaks is that there is supposed to be 11 hours between finishing work and starting another shift. We don't yet know what form the guidance will take.

**7. New proposals from the EU seek to limit working hours to 60 per week even if employees want to work longer to earn some extra cash. How might this affect you?**

Remember that if the business is a limited company, then working directors are still employees.

**8. The Government is drawing up a package of workplace rights that could see mothers being paid sick leave if their children are ill and given more legal rights to work part-time. How might this affect you?**

Vivienne Rayner

4<sup>th</sup> November 2006

Amended 17<sup>th</sup> November following comments from Barbara Ellenbroek