

# UK Labour's Employment Rights Bill smooths way for big business/trade union collusion against working class

Tony Robson  
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On Thursday, Britain's Labour government unveiled its proposed Employment Rights Bill, supposedly fulfilling an election pledge to improve worker's rights.

Labour Deputy Prime Minister Angela Rayner declared, "The government is delivering the biggest upgrade to rights at work for a generation." She was echoed by Trades Union Congress (TUC) General Secretary Paul Nowak, who proclaimed, "Whether it's tackling the scourge of zero-hours contracts and fire and rehire, improving access to sick pay and parental leave, or clamping down on exploitation—this Bill highlights the government's commitment to upgrade rights and protections for millions."

This is a political fraud, with the government's proposals having been subjected to heavy vetting by big business to render any protection for workers largely worthless. This process will continue for up to two years before any of the 28 reforms are expected to become law.

Labour's proposed reform agenda was initially conducted under the slogan of "A New Deal for Working People" but has now been replaced by the more austere title, "The Plan to Make Work Pay."

The aim of the bill is to end industrial action deemed to be undermining productivity and to promote "economic growth".

This involves making the cynical claim that attacks on the working class can be attributed to a few bad employers who will now be curbed. The reality is that one of the most prominent backers of the Bill is the CEO of Centrica, Chris O'Shea, listed among the heads of major UK companies. As the head of the UK's largest energy company, he imposed the fire-and-rehire contract to bring in inferior terms and increased hours

at British Gas in 2021 against 7,000 engineers. This would not have been possible without the GMB union ending 43 days of strike action and telling workers to sign the new contracts. This is the type of corporatist partnership between the Labour government, big business and the trade union leaders that the Employment Rights Bill seeks to legitimise.

Labour has already performed a volte face over some of the most-high profile worker rights issues they promised to remedy.

The Bill replaces Labour's pledge to end zero-hours contracts with a promise to end only "exploitative" zero-hour contracts. This will leave many of the more than a million workers across the UK in a precarious situation. A recent survey by the Trades Union Congress of zero-hour workers showed that 84 percent wanted regular working hours, but the measures proposed offer a contract of guaranteed hours only to only those who have worked regular hours over a "defined period" that is yet to be finalised.

Neither will the brutal practice of fire-and-rehire be scrapped, only amended while leaving major loopholes. As stated in *Personnel Today*, "The Bill provides for 'fire and rehire' (dismissal and re-engagement) to be added to the host of reasons constituting an 'automatic' unfair dismissal, other than in very limited circumstances affecting the employer's ability to carry on the business as a going concern."

The TUC's article proclaiming a "massive boost to workers rights" by senior policy officer for employment rights Tim Sharp states, "Employers will only be able to fire and rehire workers on worse terms when the alternative is going bust."

"Only" indeed—as if the pretext of financial

insolvency has not been a stock in trade of corporations enforcing mass redundancies and tearing up of workers terms and conditions. The Royal Mail dispute in 2022-3 is a prime example. This was sold out by the Communication Workers Union (CWU) led by Dave Ward who demanded postal workers sacrifice their jobs, pay and conditions in the interests of company profitability using the threat of bankruptcy. Ward as one of the main backers of Labour has claimed credit for its “New Deal”.

Among the most cynical of Labour’s claims regarding the Bill is that it establishes “Day-one Rights” for up to 9 million workers including parental leave, sick pay and protection from unfair dismissal.

Regarding unfair dismissal, the two-year period of employment necessary to be eligible to take-out a case has been lifted. But this is offset by the acceptance a probationary period of up to nine months as “its preferred position” that allows workers to be dismissed with as little as a letter of notification.

This too will be subject to further “consultation”. It was only the latest concession offered up to business representatives by Rayner and Business Secretary Jonathan Reynolds at last ditch meetings before the bill was published.

Several key employment rights issues have been excluded from the Bill altogether pending further consultation with businesses. This includes the “right to switch off” pledge to protect employees from being contacted by management outside of working hours, which is now relegated to discussions with employers on non-binding Codes of Practice. Also deferred for consultation is legislating on “a single status for workers” to redress how millions are trapped without rights in the gig economy as a result of their bogus definition as self-employed.

What the Bill does do is repeal the Minimum Service Levels (Strike Act), the draconian anti-strike laws introduced under the Sunak Conservative government in response to the developing strike wave of millions of workers in 2022-3. The fact they were never used is because the union leaders proved a more reliable weapon in sabotaging the offensive based on a string of sellout agreements.

Labour has not only been whittling down promised reforms on employment rights at the behest of big business, but with the full participation of the trade

unions

The government announced in a press release in mid-August “The Deputy Prime Minister and Business Secretary convened a meeting with trade unions and business leaders in the first of its kind meeting today... they agreed to wipe the slate clean and begin a new relationship.” This involved representatives from the Confederation of British Industry and the Institute of Directors, with those from the TUC and unions including Unite, Unison and the GMB. A subsequent meeting in September announced, “Minister tell business leaders they will be involved ‘every step of the way’ in Make Work Pay plans.”

Unite’s Sharon Graham has been widely quoted as the major malcontent among trade union leaders over the bill with her comment that “It has more holes than Swiss cheese”. But this has not got in the way of Unite’s full support for Labour. In May when it was leaked by the *Financial Times* that Labour had watered down its policies on zero hours and fire-and-rehire, Graham was one of several affiliated union leaders summoned to Labour headquarters after making public criticism. This produced a joint statement in which she promised, “The workers voice has been heard. UK Labour have listened” so that the entire union bureaucracy could get on with its electioneering for Starmer.

The trade union bureaucracy’s relationship to Labour is not based on efforts to secure a few crumbs for their members, but on their unified role in policing the class struggle in defence of capitalism. The union bureaucracy’s excuse for embracing Starmer in the form of a few reforms is dead in the water.

The answer is to develop a network of rank-and-file committees to mobilise the independent strength of the working class against the union leaders, the Labour government and their big business masters and building a genuine political alternative in the Socialist Equality Party.



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