## UnionLine NEWS



The Legal Services Newsletter for GMB and CWU Members and their Families

# Government may not "cut & paste" the Great Repeal Bill

The government proposes handing the power to change important rights and protections at work that British workers already have to judges. The protections affected could include rights to full holiday pay, equal pay for women, stopping indirect discrimination because of race or gender, and help for workers when they are outsourced to a new boss. The government is also taking wide-ranging powers that will allow ministers to scrap or water down rights like protections from excessive working hours, equal treatment for agency workers, and redundancy protections.

Brexit Minister David Davis said the government would have "time-limited" powers to amend the law through secondary legislation, which can be passed with little debate. Labour's Shadow Brexit Secretary Keir Starmer criticised the plans for giving the Tories too much unchecked power. It's uncertain which laws will ultimately be transferred into UK laws and which laws will be dropped along the way with these Henry VIII powers.

So far, the government has refused to give absolute assurances to EU citizens resident in the UK, justifying their position by saying their priority lies in ensuring ex-pats living in Europe are offered security and they may not get this if EU Citizens are given rights too soon. Critics have attacked this position for using EU workers as bargaining chips.



Tony Rupa, CWU Head of Legal Services said; "There are no guarantees for employment protections in the long term, but there's a real risk the government could seek to scrap or water down key workers' rights. The Bill should include clauses guaranteeing that the new powers cannot be used to repeal or dilute employment and equality laws. When we leave the EU, the UK Supreme Court could have the power to overturn key decisions which protect workers' rights without the need to secure Parliamentary approval."

The EU has proved an important source of rights for working people in the UK, including:

- Rights to paid holidays and protection from excessive working hours
- Family friendly rights, including rights to paid maternity leave, protection from dismissal for pregnant women and rights to parental leave
- Equality rights, including rights to equal pay for work of equal value, and protection from discrimination on grounds of gender, race, sexual orientation, pregnancy, disability, age, and religion and belief
- Protections for young workers, part-time workers, agency workers and those on fixed-term contracts
- The right to be consulted on collective redundancies, and for unions to present an alternative measures supporting information and consultation at a national and European level
- Protections for migrant workers



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## **April 2017: nine key employment law changes**

This April nine new employment legislation come into force. The most significant development being the introduction of the gender pay gap reporting duty for larger employers. However, there are a number of other key changes affecting all employers, regardless of their size.

### 1. Gender pay gap reporting rules come into force

Every year, larger employers (those with 250 or more employees) will have to report data about their gender pay gap, including bonus payments. They will also have to report on the proportion of male and female employees in different pay quartiles and those who receive bonuses. Employers have 12 months to publish the information on their own website and to upload it to a Government website.

#### 2. Apprenticeship levy is introduced

The apprenticeship levy to fund apprenticeship training is due to come into effect on 6 April 2017. Employers will pay the monthly levy via PAYE if they have a paybill of more than £3 million.

#### 3. There will be an immigration skills charge

Employers that sponsor skilled workers under tier 2 of the immigration points-based system will have to pay a levy of £1,000 per certificate of sponsorship per year (£364 for small employers and charities). From April 2017, the Government is planning to introduce a requirement for those workers coming to the UK under tier 2 for certain posts in the education, social care and health sectors, to obtain criminal records certificates from the countries that they have lived in over the last 10 years.

## 4. Reform to the intermediaries rules (IR35) in the public sector

The intermediaries rules may apply where an individual supplies his or her services to a client via an intermediary, such as a personal service company (PSC). If the individual could be regarded as an employee if the intermediary did not exist, the rules apply and the intermediary must make deductions for income tax and national insurance contributions (NICs) on the salary and wages that it pays to the individual.

## 5. Tax advantages under salary-sacrifice arrangements to be limited

Benefits-in-kind attracting tax and NIC advantages when they are provided under a salary-sacrifice scheme, are to be limited.

#### 6. National minimum wage increases

On 1 April 2017, the rates of the national minimum wage will increase so that the timing of the annual increase in the national living wage rate for workers aged 25 or over can align with the other national minimum wage rates. The rate for workers aged 25 and over (the national

living wage) increases from £7.20 to £7.50. The rates within the other age bands also increase.

#### 7. Pensions advice allowance is introduced

Members of defined-contribution and hybrid pension schemes will be able to take a tax-free amount of £500 from their scheme, to be redeemed against the expense of financial advice. The value of pensions advice provided by employers on which there is tax and NIC relief will increase from £150 to £500.

### 8. Statutory family-related pay and sick pay rates increase

The weekly rate of statutory maternity, paternity, adoption and shared parental pay will increase to £140.98 for pay weeks commencing on or after 2 April 2017.

The weekly rate of statutory sick pay will increase to £89.35 from 6 April 2017.

#### 9. Statutory redundancy pay increases

New limits on employment statutory redundancy pay come into force on 6 April 2017. Employers that dismiss employees for redundancy must pay those with two years' service an amount based on the employee's weekly pay, length of service and age. The weekly pay is subject to a maximum amount. From 6 April 2017, this is £489, increasing from £479.

## GMB delivers new action against 'gig economy' employment status



The GMB has begun fresh legal action against UK Express for treating workers as self-employed contractors, who carry out deliveries for on-line retail giant Amazon. UK Express whose headquarters are based in Birmingham but advertise for drivers across the UK, joint action is already underway with delivery company DX and taxi company Addison Lee.

Amazon drivers are workers, and potentially employees, Amazon enforces control on drivers, sanctions them for 'poor performance' and requires them to pay for van hire. The online retailer also requires drivers to be available for 15 days per month and money is deducted from a driver's pay if they cannot work.

Drivers classified as workers rather than self-employed would be entitled to 5.6 weeks paid annual leave per year, the national minimum wage, paid rest breaks and whistleblower protection.

Last year, UnionLine news reported that an employment tribunal had ruled in favour of a claim brought against Uber who were wrong to label workers as 'self-employed'.

Maria Ludkin, GMB legal director, said: "This is another case in a long line of legal battles around bogus self-employment. UK Express delivers for some of the world's largest companies, in this case Amazon. The drivers delivering for Amazon – like Uber drivers and delivery drivers for DX – cannot be classed as anything other than employed when you look at the law. All our members want is basic employment rights as are enjoyed by the majority, including the right to be paid a minimum wage and holiday pay."

"This is another company trying to duck its obligations and responsibilities by making its workforce 'self-employed'."



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