Employment Law: A Comparison of Northern Ireland, Great Britain and the Republic of Ireland

The paper briefly compares the employment legislation of Northern Ireland, Great Britain and the Republic of Ireland in the context of the review of employment law by the Department for Employment and Learning.
Key Points

Employment law in the UK and Republic of Ireland is generally governed by European Union standards transposed into Member State law. In this respect, employment laws in both states would be expected to converge in key respects.

Employment law is devolved in Northern Ireland, unlike in the other devolved regions of the UK, where employment law is common to England, Scotland and Wales.

Legislation in Northern Ireland has traditionally followed that of Great Britain, consequently the introduction of over-arching legislation in the 1990’s has led to both jurisdictions having relatively consolidated employment law. In contrast, employment law in the Republic of Ireland is more dispersed among several pieces of legislation.

Equality law, including that relating to employment, is consolidated in Great Britain and the Republic of Ireland, but dispersed in Northern Ireland among different pieces of legislation according to protected group.

Reviews of employment law are under way in all three jurisdictions:

- **Northern Ireland** – reform of early resolution of workplace disputes, efficient and effective employment tribunals and better regulation measures

- **Great Britain** – settlement agreements to help end employment relationships, reduction in the cap on unfair dismissal claims, streamlining tribunal processes, more efficient measures for transferring employees to another employer and improvements to guidance for discipline and grievance procedures

- **Republic of Ireland** – reform of the dispute resolution and tribunal system

In each case, there is a preference to promote pre-claim resolution methods. In the Republic of Ireland a two-tier system is being introduced where adjudication is to take place through a Workplace Dispute Commission before proceeding to a Labour Court where appeal is appropriate.

The recommendations of the Beecroft Report, which comprised a wide-ranging review of employment law, and the Underhill Review of the tribunal system, have been the basis for many of the proposed reforms in Great Britain. A range of measures are being introduced in Great Britain through the Enterprise and Regulatory Reform Bill.

The review in Northern Ireland has generally proceeded using Great Britain’s review as a comparator.
## Contents

Key Points ................................................................................................................................. 3

1 Introduction ............................................................................................................................. 7
2 Employment Law in Northern Ireland .................................................................................. 8
3 Employment Law in Great Britain ....................................................................................... 12
4 Employment Law in the Republic of Ireland ...................................................................... 16
5 Contrasts and Comparisons ................................................................................................. 18

Appendices:

Appendix 1: The UK Government Response to the Beecroft Report ................................. 22
Appendix 2: Summary of European Employment Directives .............................................. 28
Appendix 3: Comparative Table of Employment Law in Northern Ireland, Great Britain and the Republic of Ireland ................................................................. 29
1 Introduction

On 5 November 2012 the Minister for Employment and Learning, Dr Stephen Farry, announced a review of employment law in Northern Ireland. On 19 November 2012 the Assembly resolved:

That this Assembly notes that the Minister for Employment and Learning has initiated a wide-ranging review of employment law in line with the commitment made in the economic strategy; endorses a modern, efficient and integrated employment law system that works in the interests of business, helps our economy to grow, attracts investment and encourages companies to recruit new staff, and at the same time provides sufficient protection for the rights of employees, with opportunities for redress; and calls on the Minister to have due regard to changes in employment law in Great Britain and the Republic of Ireland.

Legislation relating to employment is generally derived from EU law, transposed into local law by Member States. Employment law is a devolved matter in Northern Ireland, unlike in other devolved regions of the UK, so there are differences in detail and policy in how some of the provisions are implemented.

Employment is governed by a range of areas of legislation, including laws relating to employee rights, equality and anti-discrimination provisions and health and safety standards. It is not proposed to consider health and safety legislation here, which is the responsibility of the Department of Enterprise, Trade and Investment (DETI), or equality legislation in any detail, which falls to the Office of the First Minister and deputy First Minister (OFMdFM). Rather, labour law to be considered by the Department for Employment and Learning (DEL) will be analysed. Similarly, developments in case law will not be examined.

This Research Paper briefly compares employment law in Northern Ireland, Great Britain and the Republic of Ireland.

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2 Employment Law in Northern Ireland

The main legislation dealing with employment in Northern Ireland is the Employment Rights (Northern Ireland) Order 1996, implementing in Northern Ireland the provisions of a similar Act for Great Britain. The Order covers the substantive areas of:

- Access to employment
- Particulars of employment (e.g. contract)
- Protection of wages
- Guarantee of payment
- Protected disclosure (e.g. whistleblowing)
- Protection from suffering detriment (e.g. due to jury service, etc.)
- Time off (e.g. for public duty, ante-natal care, dependent care, etc.)
- Suspension of employment (e.g. for medical or maternity reasons)
- Leave (maternity, adoption, parental, paternity)
- Flexible working
- Termination of employment
- Unfair dismissal
- Redundancy payments
- Redundancy procedure
- Insolvency of employer

Trade union membership and activity is encompassed in the Trade Union and Labour Relations (Northern Ireland) Order 1995, which regulates trade unions, but also outlines employees’ rights with regard to trade union engagement.

The 1996 and 1995 Orders were amended by the Employment Relations (Northern Ireland) Order 1999, which made changes to arrangements regarding trade union membership, leave for family reasons and disciplinary procedures, and by the Public Interest Disclosure (Northern Ireland) Order 1998, which expands on protections for whistleblowers.
The Transfer of Undertakings (Protection of Employment) Regulations 2006\(^7\) replaced an Act of 1981 to update protections for workers who are transferred from one employer to another (TUPE), for example, where a service or role is acquired by another company. These Regulations are UK-wide, as are the provisions of the National Minimum Wage Act 1998\(^8\), which regulates the setting and implementation of a minimum wage and establishes the Low Pay Commission to advise Government\(^9\).

The Working Time Regulations (Northern Ireland) 1998\(^10\) set out maximum working hours for employees, reflecting the provisions of similar legislation in Great Britain, and the Agency Workers Regulations (Northern Ireland) 2011\(^11\) provide for certain rights and protections for temporary workers in relation to other employees. The Shops (Sunday Trading etc.)(Northern Ireland) Order 1997\(^12\) sets out employees' rights with regard to Sunday trading, such as opting out of working on a Sunday and not suffering detriment for doing so.

Legislation in relation to prohibiting discrimination at work is spread across various different protected groups\(^13\). These are summarised as follows:

- **Age** - Employment Equality (Age) Regulations (Northern Ireland) 2006\(^14\)
- **Disability** - Disability Discrimination Act 1995\(^15\)
- **Gender** - Sex Discrimination (Northern Ireland) Order 1976\(^16\), although the principle of equal pay is established by the Equal Pay Act (Northern Ireland) 1970\(^17\)
- **Race/ethnicity** - Race Relations (Northern Ireland) Order 1997\(^18\)
- **Religious belief or political opinion** - Fair Employment and Treatment (Northern Ireland) Order 1998\(^19\)
- **Sexual orientation** - Employment (Northern Ireland) Order 2002\(^20\), which gives same-sex couples the same parental leave as other parents, and the


\(^20\) See Note 40 above.
Employment Equality (Sexual Orientation) Regulations (Northern Ireland) 2003\textsuperscript{21}, which outlaws discrimination at work.

The Fair Employment and Treatment Order also established the Fair Employment Tribunal, which hears and determines complaints of discrimination on the grounds of religious belief of political opinion. Other employment-related issues are dealt with by the industrial tribunals established by the Industrial Tribunals (Northern Ireland) Order 1996\textsuperscript{22}. The Employment Act (Northern Ireland) 2011\textsuperscript{23} brings the fair employment and industrial tribunals together so that a single tribunal can hear disputes relating to the fair employment or industrial tribunals\textsuperscript{24} and introduced new procedures for dealing with disputes, including a new model employers should follow set out in a revised Labour Relations Agency Code of Practice\textsuperscript{25}.

The Minister for Employment and Learning, Dr Stephen Farry, announced a review of employment law in May 2012 with the launch of a discussion paper. This covered the following themes\textsuperscript{26}:

- Early resolution of workplace disputes
- Efficient and effective employment tribunals
- Better regulation measures

These are discussed in the light of UK Government proposals for change in these three areas. The DEL response to contributions to the discussion paper, published in November 2012, indicated a way forward as follows\textsuperscript{27}:

- The following proposals are not to be progressed:
  - Chairs sitting alone in unfair dismissal cases
  - Introduction of witness expenses
  - Increase in the maximum costs awards
  - Introduction of financial penalties for employers in breach of employment law
  - Introduction of compensated no-fault dismissals

\textsuperscript{22} Industrial Tribunals (Northern Ireland) Order 1996: \url{http://www.legislation.gov.uk/nisi/1996/1921/article/3}.
\textsuperscript{24} Website of the Industrial Tribunals and the Fair Employment Tribunal: \url{http://www.employmenttribunalsni.co.uk/}.
\textsuperscript{25} Labour Relations Agency dispute resolution: \url{http://www.lra.org.uk/index/resolving-disputes.htm}.
\textsuperscript{26} Department for Employment and Learning (2012), Employment Law Discussion Paper, Belfast: DEL: \url{http://www.delni.gov.uk/employmentlaw}.
\textsuperscript{27} Department for Employment and Learning (2012), Employment Law Discussion Paper: Departmental Response, Belfast: DEL.
• Launch of a Better Regulation pilot to identify immediate opportunities to reduce the administrative burden of subordinate legislation

• Benchmarking, research, consultation, evaluation and appraisal of practice and options for employment relations, regulation, compliance with employment law, dismissals and tribunals

• Projects to examine options for change by the Labour Relations Agency and Tribunal Rules Committee

• Publication of a consultation document in early 2013 setting out more detailed proposals for legislative change
3 Employment Law in Great Britain

As indicated above, the National Minimum Wage Act 1998 provides for the setting of the minimum wage for the whole of the UK. As with the Northern Ireland equivalent, the Employment Rights Act 1996\(^\text{28}\) codified existing law with regard to employees’ rights. Provisions include the following:

- Particulars of employment
- Protection of wages
- Right to guarantee payment
- Sunday working
- Protected disclosures
- Protection from suffering detriment
- Time off work
- Study and training
- Suspension from work
- Maternity leave
- Flexible working
- Termination of employment
- Unfair dismissal
- Redundancy payments
- Insolvency of employers

The Employment Tribunals Act 1996\(^\text{29}\) established employment tribunals and the Employment Appeal Tribunal\(^\text{30}\), and the Employment Act 2002\(^\text{31}\), as well as extending parental leave rights, provided for changes in the tribunal system and dispute resolution. Rights relating to disciplinary proceedings are provided for in the Employment Relations Act 1999\(^\text{32}\), whistleblowing in the Public Interest Disclosure Act 1998\(^\text{33}\), trade union membership in the Trade Union and Labour Relations


(Consolidation) Act 1992\textsuperscript{34} and the Agency Worker Regulations 2010\textsuperscript{35} for temporary contract workers, all of which spawned similar legislation in Northern Ireland.

The Equality Act 2010\textsuperscript{36} draws together existing equality legislation, Part 5 providing for prohibitions on discrimination, victimisation and harassment for people in or applying for work and a duty to make reasonable adjustment\textsuperscript{37}. Protected characteristics in Great Britain differ slightly to those in Northern Ireland, being age, disability, gender reassignment, marriage and civil partnership, race, religion or belief, sex and sexual orientation.

The UK Government has been undertaking a review of employment law (2010-2015) which has a number of components, including areas for reform highlighted in the Cabinet Office’s Red Tape Challenge regarding employment-related law\textsuperscript{38}. The main areas of attention have been\textsuperscript{39}:

- Settlement agreements to help end employment relationships in a fair and consensual way
- Reduction of the cap on unfair dismissal claims
- Streamlining tribunal processes
- More efficient rules around the transfer of employees to another employer (TUPE)
- Improvements to guidance on discipline and grievance procedures

Alan Beecroft carried out a review of employment law, except for health and safety, sickness absence and the minimum wage, and issued a report with 23 recommendations in October 2011\textsuperscript{40}. The Government issued a response to each of these recommendations in September 2012, which are reproduced in full at Appendix 1. The measures the Government is planning to implement have been subject to public consultation (see below).

A consultation paper published in September 2012 sought views on the following proposed changes to be brought forward in the Enterprise and Regulatory Reform Bill\textsuperscript{41}:

\begin{itemize}
  \item Settlement agreements to help end employment relationships in a fair and consensual way
  \item Reduction of the cap on unfair dismissal claims
  \item Streamlining tribunal processes
  \item More efficient rules around the transfer of employees to another employer (TUPE)
  \item Improvements to guidance on discipline and grievance procedures
\end{itemize}


\textsuperscript{35} Agency Worker Regulations 2010: \url{http://www.legislation.gov.uk/uksi/2010/93/contents/made}.

\textsuperscript{36} Equality Act 2010: \url{http://www.legislation.gov.uk/ukpga/2010/15/contents}.


\textsuperscript{38} Red Tape Challenge: Employment related law web page: \url{http://www.redtapechallenge.cabinetoffice.gov.uk/employment-law/}.


\textsuperscript{40} The Beecroft Report on employment law: \url{http://www.bis.gov.uk/news/topstories/2012/May/ministerial-statement-on-beecroft-employment-law-report}.

• The use of ‘settlement agreements’, where employees waive the right to take a case to a tribunal in return for a severance payment and perhaps a reference

• Principles to underpin a proposed code of practice to cover settlement agreements

• Templates and model letters to reduce uncertainty for businesses using settlement agreements

• Reconsideration of the cap on unfair dismissal compensation (currently £72,300)

• Consideration of a limit in compensation to 12 months’ pay

Justice Underhill carried out a review of tribunal rules and published recommendations for change in July 2012. These recommendations were also published for consultation in September 2012, including the following proposals:

• Recommendations for effective case management, including:
  o Initial paper sift carried out by a judge
  o Tribunal powers to strike out claims
  o Lead case mechanism for dealing with multiple claims
  o Simplified procedure for withdrawing claims
  o New procedure for preliminary hearings, combining pre-hearing reviews and case management discussions
  o Clear rule on the provision of written reasons
  o Rule on limiting oral evidence and submissions

• Presidential guidance to help with understanding of the process and for consistency

• Encouragement to pursue alternative dispute resolution

• Simplification of the costs regime

• Reassessment of lay representation

• Flexibility for judges to require a deposit in cases of the pursuit of weak claims

• Review of information provided on forms


• Encouragement of prompt payment of awards

Both consultations ended in November 2012 and the Government is considering responses\textsuperscript{44}.

\textsuperscript{44} For more detailed summaries of the Beecroft and Underhill reports, see research and Information Service Briefing Paper NIAR 879-12 Summarise of the Beecroft Report and the Underhill Review.
4 Employment Law in the Republic of Ireland

Legislation in the Republic of Ireland, as in the UK, reflects development in EU law, transposed into Member State law. Unlike in Northern Ireland and Great Britain where more unified employment law was introduced in the 1990’s, such legislation in the Republic of Ireland is more dispersed.


Unlike in Northern Ireland, but in common with Great Britain, equality legislation in respect of the workplace has been drawn together in the Employment Equality Acts 1998-2011\(^\text{63}\).

On 6\(^\text{th}\) January 2012, Richard Bruton TD, Minister for Jobs, Enterprise and Innovation, announced plans to consolidate the five existing employment rights institutions into two simplified and streamlined bodies. This follows a 2011 consultation, the response to which led to a timetable for reform in three projected phases\(^\text{64}\):

1. (To December 2011) introduction of a single point of entry for all workplace disputes, a single information resource and a single claim form
2. (To June 2012) Early Resolution Service, single interactive online claim form and an integrated website
3. (To December 2013) legislation established for the changes, new business processes and a new case management system fully operational.

The reform programme envisages\(^\text{65}\):

… the development of a two tier Workplace Relations structure by merging the activities of the National Employment Rights Authority, the Labour Relations Commission, the Equality Tribunal and the first instance functions of the Labour Court and the Employment Appeals Tribunal into a new Body of First Instance - the Workplace relations Commission (WRC). The appellate functions of the Employment Appeals Tribunal will be incorporated into an expanded Labour Court.

The programme will entail new legislation in 2013 that will amend at least 22 separate pieces of legislation, 12 parts or sections of acts and 71 statutory instruments\(^\text{66}\). Detailed proposals were presented to the Committee on Jobs, Enterprise and Innovation in July 2012\(^\text{67}\) and a Workplace Relations Bill is to be introduced in early 2013.


5 Contrasts and Comparisons

The fundamental provisions of employment legislation in the UK and the Republic of Ireland derive from obligations as Member States of the European Union. How Member States transpose EU law into domestic legislation accounts for differences across jurisdictions, but in broad terms harmonisation across the EU is the general policy aim of the European Commission. A table summarising the main EU Directives relating to employment rights is at Appendix 2.

This section compares some aspects of employment law in Northern Ireland, Great Britain and the Republic of Ireland in relation to the current reviews of the relevant legislation in those jurisdictions. A comparative summary table of legislation is at Appendix 3.

Employment Law Reviews in Northern Ireland, Great Britain and the Republic of Ireland

The reviews in the three jurisdictions have taken similar forms. These are summarised as follows:

Northern Ireland

Measures introduced in the Employment Act (Northern Ireland) 2011:

- Loosening of legal requirements applied to workplace disputes, such as options for alternative dispute resolution, while retaining statutory procedures
- Provision for fair employment and industrial tribunal cases to be heard in a single hearing

Policy measures introduced in September 2012:

- Enhanced statutory arbitration scheme for the Labour Relations Agency as a viable alternative to industrial tribunals

Future proposals:

- Promotion of less formal early dispute resolution processes:
  - Increase of uptake of pre-claim conciliation and arbitration services – the LRA is to be asked to develop a detailed delivery model for routing all claims through the agency
  - Introduction of an early neutral evaluation system to give parties a realistic appreciation of options at the pre-claim stage
- Changes to tribunal procedures:

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Consideration of the recommendations of the review in Great Britain by Justice Underhill – the tribunal rules committee will be asked to produce a single, consolidated set of tribunal rules.

No consensus on a fee structure, but consideration of a greater use of deposit hearings.

No action on:

- Tribunal chairpersons sitting alone
- Introduction of requirements on parties to pay witness expenses
- Increase in the maximum amount of tribunal costs awards
- Introduction of financial penalties for breaches of employment rights
- Compensated no-fault dismissals for SMEs
- Increase of the qualifying period for unfair dismissal

Measures to reduce the regulatory burden of existing employment legislation – a research project on the correlation between levels of employment regulation and competitiveness is to be carried out by the Department Great Britain.

Measures introduced in the Unfair Dismissal and Statement of Reasons for Dismissal (Variation of Qualifying Period) Order 2012:

- Extension of the period for unfair dismissal from one to two years

Measures introduced by the Employment Rights (Increase of Limits) Order 2012:

- Increase in limits on payments at an employment tribunal

Measures to be introduced through the Enterprise and Regulatory Reform Bill:

- Requirement to submit to ACAS arbitration before making an employment tribunal claim
- Compromise agreements to be ‘settlement agreements’

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69 From the Written Ministerial Statement by the Secretary of State for Business, Innovation and Skills, Vince Cable, to the House of Commons 14 September 2012: [http://www.publications.parliament.uk/pa/cm201213/cmhansrd/cm120914/wmstext/120914m0001.htm](http://www.publications.parliament.uk/pa/cm201213/cmhansrd/cm120914/wmstext/120914m0001.htm).


• Appeals to the Employment Appeals Tribunal to be heard by a judge sitting alone, unless otherwise directed by a court

• Discretion for Tribunals to give employers a financial penalty for certain breaches of employment rights

• Whistle-blowing claims to be only valid where it is in the public interest

Proposals for future change:

• Support for settlement agreements and a reduction in the cap on fair dismissal compensation (“Ending the employment relationship”)

• Consideration of recommendations for changes to tribunal rules (Underhill Review)

• Consideration of potential changes to TUPE legislation

• In the context of the introduction of tribunal fees, mechanisms to extend access to tribunals to those who cannot afford to pay

• Review of the remissions system for courts and tribunals

Republic of Ireland

Policy measures introduced 2011-2012:

• Creation of a single point of contact and process for workplace disputes (Workplace Relations service)

• Pilot of an early resolution service

Proposed measures:

• Issues of first instance to be held in private

• No charges for the adjudication service

Proposed measures in legislation:

• Establishment of a body of first instance (Workplace Relations Commission)

• Establishment of a single appeals body (Labour Court)

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Comparative Analysis

All three jurisdictions are seeking to streamline the system for dealing with workplace disputes. In Northern Ireland, it is proposed to encourage greater use of conciliation services through the Labour Relations Agency (LRA) to reduce reliance on claims going directly to an industrial tribunal. The tribunal system has been streamlined to enable both fair employment and industrial dispute cases to be heard together. In the Republic of Ireland, it is proposed to have a two-tier system, where all cases go to the Workplace Relations Commission in the first instance, with appeals to the Labour Court, although equal status cases would go to the Circuit Court. Similarly, in Great Britain, the Enterprise and Regulatory Reform Bill will require prospective claimants to approach the Advisory, Conciliation and Arbitration Service (ACAS) before recourse to a tribunal.

In Great Britain, certain measures have been or are to be introduced to reduce costs to the tribunal system, such as the introduction of fees to deter vexatious claims and a single judge sitting alone to hear cases. Fees were considered in Northern Ireland and the Republic of Ireland, but rejected. Judges sitting alone were considered in Northern Ireland and likewise rejected.

In Great Britain, the Government is considering responses to consultations on the recommendations of the Beecroft and Underhill reviews and other areas of the relationship between employers and employees. In Northern Ireland, the Department for Employment and Learning is to look at options for reducing the regulatory burden on employers.

Ultimately, there are limitations to the extent of changes that can be made to employment law, as the regulation of the employment relationship is primarily guaranteed through EU legislation.
Appendix 1: The UK Government Response to the Beecroft Report

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<tr>
<th>Beecroft Recommendation (under each separate report heading)</th>
<th>Policy progress/decisions etc.</th>
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<tr>
<td><strong>Unfair Dismissal</strong></td>
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<tr>
<td>2) <em>No fault dismissal</em> – introduce ‘compensated no fault dismissal’</td>
<td>Call for evidence on NFD for micros and dismissal procedures published on 15 March. Closed on 8 June 2012. Evidence shows majority of businesses do not support. Govt due to issue response as part of Sept package.</td>
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<tr>
<td><strong>Exemptions for Small Businesses</strong></td>
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<td>3) <em>Micro-exemptions</em> – exempt businesses with less than 10 employees from: unfair dismissal; pensions auto-enrolment; flex working; flex parental leave; licensing for employment of children; gangmaster licensing; equal pay audits.</td>
<td>Call for evidence on NFD for micros and dismissal procedures published on 15 March. Closed 8 June 2012. Evidence shows majority of businesses do not support. Response due as part of Sept package. Flexible parental leave and flexible working will comply with current timetable for moratorium, i.e. not commence until 2015. DWP pensions auto-enrolment - in the light of economic circumstances, Government decided to give small employers (&lt;50) more breathing space to prepare for auto-enrolment, so no small employer will be affected by the new measure until the next Parliament. Defra – refocused role for GLA being pursued. GEO published Govt response saying that they will legislate on equal pay audits.</td>
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### Discrimination Law

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<td>5) Monitor the impact of the removal of the DRA on employers willingness to recruit older workers/ overall workforce - if there is a negative impact then a DRA probably at a higher age than was recently the case should be reintroduced.</td>
<td>We are committed to reviewing the impact of removing the DRA in 2016. No evidence that this has been the case so far. Beecroft's idea of reintroducing the DRA at a higher age would probably still not be ECHR-compliant.</td>
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### Employment Tribunal Process and awards

<p>| 6) Employment tribunals – implement Resolving Workplace Disputes' reforms (reducing number of cases going to ET), and review the Acas Code of Practice on Discipline and Grievance | Included in employment announcement on 23 November 2011. Call for evidence on the Acas Code of Discipline and Grievance closed on 8 June 2012. Govt preparing to announce direction of travel on dismissal procedures in Sept package, including clarifying how the procedures can be simpler and shorter for smaller firms and in serious cases. On 6 April 2012, the following came into force: Compromise Agreements section 147 (reassuring employers and employees that they can safely use them in resolving disputes relating to alleged discrimination); judges sitting alone at Unfair Dismissal cases; witness statements taken as read; cost award limits (£20k); deposit orders (£1k). Other measures being implemented through the Enterprise and Regulatory Reform Bill (e.g. Acas conciliation, Settlement Agreements change to unfair dismissal legislation, power to amend unfair dismissal compensation cap, power for Rapid Resolution, EAT judges to sit alone, closing PIDA bophole). |</p>
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<tr>
<th>Recommendation of the Employment Tribunal System Steering Board (ETSSB) for improving the consistency of ET findings should be implemented</th>
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<tr>
<td>ETSSB now defunct. Consistency in ETs is being addressed as part of the Underhill Review on Employment Tribunal Rules. Govt preparing to consult on the Underhill recommendations shortly, with a view to making changes by April 2013.</td>
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<tr>
<th>Recommendations from the Underhill Review of ET rules to be implemented asap after publication</th>
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<tr>
<td>Govt preparing to consult on the Underhill recommendations shortly, with a view to making changes by April 2013.</td>
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<th>No win no fee legal services – include as part of broader review</th>
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<tr>
<td>MoJ is implementing reforms via the Legal Aid, Sentencing and Punishment of Offenders Act to prohibit the payment of referral fees in personal injury claims and in the way “No Win No Fee” lawyers using conditional fee arrangements can claim success fees in civil courts. But this will not generally affect proceedings in employment tribunals, where costs are not recoverable from the losing side in any event (except in exceptional circumstances). We are aware that damages-based agreements - another type of no win no fee agreement - are used in some employment cases by solicitors and claims managers. These are subject to the Damages Based Agreements Regulations 2010.</td>
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<tr>
<td>10) <strong>Legislate to ensure ‘Polkey’ reduction applies to basic award as well as compensatory award</strong></td>
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<td>There are already several reasons for which a basic award can be reduced:</td>
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<td>• the employee has unreasonably refused an offer of reinstatement from the employer, or has unreasonably prevented the employer from complying with an order for reinstatement;</td>
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<td>• the tribunal considers that the employee’s conduct before dismissal justifies a reduction;</td>
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<td>• the employee has been awarded an amount in respect of the dismissal under a designated dismissal procedures agreement.</td>
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<td>• the employee has already been awarded or received a redundancy payment</td>
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<td>We have no plans to add to these.</td>
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<tr>
<th>11) <strong>Employment tribunal fees and discrimination awards</strong> – introduce fees to tribunals and explore whether possible to cap discrimination awards</th>
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<tr>
<td>Beecroft’s proposal would not be achievable because it would be illegal to introduce a cap on discrimination claims. MoJ consulted on a proposal to charge a higher fee to claimants seeking awards above a specified threshold (£30k) - to encourage employees to consider their claim carefully before making a claim. The MoJ consultation closed on 6 March and the response, published on 13 July 2012. They concluded that this option should not be pursued.</td>
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<tr>
<th>12) <strong>Pensions auto-enrolment</strong> – exempt micros permanently</th>
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<td>In the light of economic circumstances, Government decided to give small employers (&lt;50) more breathing space to prepare for auto-enrolment, so no small employer will be affected by the new measure until the next Parliament.</td>
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<th><strong>CRB System</strong></th>
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<td><strong>13) CRB checks</strong> – Home Office should address portability issues</td>
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<tr>
<td>Included in employment package announcement on 23 November, and being taken forward through the Freedom Act. Home Office on course for delivering an online portable checking system in spring 2013.</td>
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<th><strong>Work Permit Checks</strong></th>
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<tr>
<td><strong>14) Work permit checks</strong> – extend on-line record system</td>
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| UKBA plans to launch a new commercial service to ensure employers and public service providers are able to make quick and easy real time checks on the
| **Bringing Workers from Abroad** | 
|---------------------------------|--------------------------------|
| **15) Workers from abroad** – improve online application process for employers and remove requirement to advertise roles in Jobcentre Plus | Jobs paying in excess of £70k are no longer required to be advertised on Job Centre Plus.

For jobs requiring PhDs, there are two changes;  
- sponsors can select the best candidates regardless of whether they are a resident worker.  
The Resident Labour Market Test will be valid for 12 months rather than 6 months |

| **Simplifying the Immigration System** | 
|-------------------------------------|--------------------------------|
| **16) Immigration regulations** – simplify the large number of regulations | Home Office have no current plans for immigration legislation due to focus on broader immigration objectives, but will continue to keep this under review. |

| **TUPE** | 
|-----------------|--------------------------------|
| **17) Tupe** – allow harmonisation of terms within one year ("introducing this collective agreement option from elsewhere in Europe") and remove gold-plating on service provision | Launched call for evidence on 23 November. Closed on 31 January 2012.

BIS preparing to publish a summary of responses shortly, at the same time indicating that we will launch a consultation later this year. |

| **Collective Redundancies** | 
|-----------------------------|--------------------------------|
| **18) Collective redundancies** – reduce minimum consultation period to 30 days | Call for evidence ran from November 2011 to January 2012. Responses showed a real need for change. BIS consulting on a package of proposals to remove barriers to effective restructuring and good quality consultation. Consultation closes on 19 September. |

<p>| <strong>Equal Pay Audits</strong> |
|-----------------------|----------------------|
| <strong>19) Equal Pay Audits</strong> – announce that Govt won’t proceed | GEO published Govt response saying that they will legislate on equal pay audits. |</p>
<table>
<thead>
<tr>
<th><strong>Gangmasters Licensing Authority</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>20) Abolishing the GLA should be seriously considered - repeal GLA and accompanying regulations</strong></td>
<td>Defra lead. Refocused role for GLA being pursued.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Agency Workers Regulations</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>21) Agency Workers Regulations – weigh up risk of infraction</strong></td>
<td>Announced on 23 November 2011 that we will review Agency Workers Regulations paperwork in 18 months’ time, looking for opportunities to simplify it. No real evidence yet of problems stemming from AWR – though there has been some consolidation in sector.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Employment Agency Regulations</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>22) Introduce a non-statutory code of practice and simplify the regs</strong></td>
<td>Announced on 23 November that BIS will consult on reforming how the recruitment sector is regulated during 2012.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Employment Agency Standards Inspectorate</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>23) EAS Inspectorate should be closed once non-statutory code of practice in place</strong></td>
<td>Announced on 23 November that BIS will consult on reforming how the recruitment sector is regulated during 2012.</td>
</tr>
</tbody>
</table>
Appendix 2: Summary of European Employment Directives

<table>
<thead>
<tr>
<th>Subject</th>
<th>Directives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfer of undertakings</td>
<td>Council Directive 2001/23/EC(^77) of 12 March 2001 on the approximation of the laws of the Member States relating to the safeguarding of employees’ rights in the event of transfers of undertakings, businesses or parts of undertakings or businesses</td>
</tr>
<tr>
<td>Obligation to inform on contracts</td>
<td>Council Directive 91/533/EEC(^78) of 14 October 1991 on an employer’s obligation to inform employees of the conditions applicable to the contract or employment relationship</td>
</tr>
<tr>
<td>Posting to another Member State</td>
<td>Directive 96/71/EC(^79) of the European Parliament and of the Council of 16 December 1996 concerning the posting of workers in the framework of the provision of services</td>
</tr>
<tr>
<td>Equal treatment</td>
<td>Directive 2000/78/EC(^80) of 27 November 2000, establishing a general framework for equal treatment in employment and occupation</td>
</tr>
<tr>
<td>Parental leave</td>
<td>Council Directive 2010/18/EU(^82) of 8 March 2010 implementing the revised Framework Agreement on parental leave concluded by BUSINESSEUROPE, UEAPME, CEEP and ETUC and repealing Directive 96/34/EC</td>
</tr>
<tr>
<td>Fixed term work</td>
<td>Council Directive 99/70/EC(^84) of 28 June 1999 concerning the framework agreement on fixed-term work concluded by ETUC, UNICE and CEEP</td>
</tr>
</tbody>
</table>

\(^79\) 96/71/EC: http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31996L0071:EN:NOT.
\(^82\) 2010/18/EU: http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32010L0018:EN:NOT.
### Appendix 3: Comparative Table of Employment Law in Northern Ireland, Great Britain and the Republic of Ireland

This table gives a brief summary of employment law across the three jurisdictions. However, the list is not exhaustive, as there is a multiplicity of primary and secondary legislation that covers employment.

<table>
<thead>
<tr>
<th></th>
<th>Northern Ireland</th>
<th>Great Britain</th>
<th>Republic of Ireland</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Guarantee of payment</strong></td>
<td>1996 Order, Pt IV</td>
<td>1996 Act, Pt III</td>
<td></td>
</tr>
<tr>
<td><strong>Sunday working</strong></td>
<td>Shops (Sunday Trading etc.) (Northern Ireland) Order 1997</td>
<td>1996 Act, Pt IV</td>
<td>Organisation of Working Time Act 1997; Industrial Relations (Amendment) Act 2012</td>
</tr>
<tr>
<td><strong>Data protection</strong></td>
<td>Data Protection Act 1998</td>
<td></td>
<td>Data Protection Act 1988-2003</td>
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<tr>
<td><strong>Protection from detriment</strong></td>
<td>1996 Order, Pt VI</td>
<td>1996 Act, Pt V</td>
<td>Juries Act 1976</td>
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<td>----------------------------------------------------------</td>
<td>------------------------------------------------</td>
<td>---------------------------------------------------------------------</td>
</tr>
<tr>
<td>TUPE</td>
<td>Transfer of Undertakings (Protection of Employment) Regulations 2006</td>
<td>EC Protection of Employees on Transfer of Undertakings Regulations 2003</td>
<td></td>
</tr>
<tr>
<td>Category</td>
<td>Law</td>
<td>Law</td>
<td>Law</td>
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