

dti

KNOW YOUR RIGHTS

Employment Relations
Information for Workers



The DTI drives our ambition of ‘prosperity for all’ by working to create the best environment for business success in the UK. We help people and companies become more productive by promoting enterprise, innovation and creativity.

We champion UK business at home and abroad. We invest heavily in world-class science and technology. We protect the rights of working people and consumers. And we stand up for fair and open markets in the UK, Europe and the world.

Contents

| | Page |
|-------------------------------|-------------|
| Prime Minister’s Introduction | 3 |
| More Jobs | 4 |
| Fair Rewards at Work | 6 |
| New Rights at Work | 9 |
| New Rights to be Represented | 15 |
| Family Friendly Policies | 17 |
| Equality and Diversity | 20 |
| Further Information | 24 |

Prime Minister's Introduction

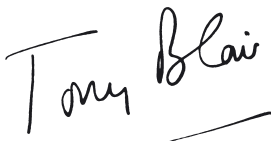
We want workplaces of high productivity, value and skills, where people can flourish and maintain a healthy work life balance. Prosperity for all can only be achieved if everyone who wants to work can do so.

Since 1997, we have introduced a framework of decent workplace standards, a framework for employers and employees which promotes a skilled and flexible labour market, enhances opportunities for rewarding employment and supports successful businesses and public services.

These standards have given people at work essential rights – rights to a National Minimum Wage, rights to trade union recognition, rights for part-time workers, rights to paid holiday. Millions of people are already benefiting from them. And we have given trade unions new rights so they can better protect and promote the interests of their members.

Everyone benefits from this approach – employees and business alike.

In this booklet, you will be able to find out more about what we have done over the last six years – and what this means in practice for individuals at work.

A handwritten signature in black ink that reads "Tony Blair". The signature is written in a cursive style with a horizontal line underneath the name.

More Jobs

We want full employment, so that everyone shares in the rising prosperity of the nation – higher employment, more highly skilled and rewarding work leading to higher incomes. Everyone should have the opportunity of fulfilling, good quality employment. Unemployment is a waste of human potential and a source of social and economic exclusion.

Since 1997, we have worked hard to achieve a better deal for all working people. We have made work pay through the national minimum wage and tax credits, introduced a legal right to trade union recognition where a majority of the workforce want it, tackled unemployment through the New Deal and strengthened employee rights against unfair dismissal. We have recognised through the Partnership Fund the contribution partnership, often involving trade unions, can make to improving business performance to the benefit of employers and employees alike.

Unemployment levels in certain communities and regions and amongst particular age and minority ethnic groups are still unacceptably high. Too many barriers still remain that prevent such people from entering the labour market. This is a waste of talent and potential.

We must address these challenges with the realisation that our current policies are working well. Our record speaks for itself. In the UK we have achieved the lowest level of unemployment since the 1970s, with employment up 1.5 million since 1997. Both adult and youth long-term unemployment has fallen by more than three-quarters. And we have done this at the same time as we have reformed the labour market.

Fair Rewards at Work

Minimum Wage

To ensure all workers had a decent minimum wage, we introduced the first-ever National Minimum Wage in 1999. This measure has benefited more than a million workers, many of whom are women and part-time employees.

This October, the National Minimum Wage rate for workers aged 22 or over will increase to £4.50 per hour. For workers aged 18 to 21 the rate will rise to £3.80 per hour.

For more advice and information contact the **national minimum wage helpline 08456000 678** or **www.dti.gov.uk/ir/nwm**

Tax Credits

The Working Tax Credit and Child Tax Credit are part of the Government's strategy to tackle poverty and make work pay.

Working Tax Credit

Working Tax Credit is a payment to top up the earnings of working people on low incomes including those who do not have children. From April 2003 people have been guaranteed minimum incomes of:

- £183 a week for a single earner couple without children, aged 25 and over and working full time on the minimum wage; and
- £237 a week for a family with one child and one earner working full time on the minimum wage.

This means, for example, if you are claiming as a lone parent or a couple with children and working 30 hours or more a week, with an income of £10,000 a year, you could receive an annual Working Tax Credit of £1,820.

Help with childcare costs may also be given under the Working Tax Credit.

Child Tax Credit

Child Tax Credit provides support for families who are responsible for children aged under 16 (or 19 where the child is studying full time for A levels, NVQ level 3 or equivalents). The amount you are entitled to is based on your household income. For example, if your income is £15,000 a year and you have two children, you could receive an annual Child Tax Credit award of £2,780. And you can claim whether or not you are in work.

If you think that you may be entitled to Working Tax Credit and/or Child Tax credit you can check your eligibility at

www.inlandrevenue.gov.uk/taxcredits

Abolishing the Two-Tier Workforce

To end the Two-Tier Workforce, we have announced major steps to ensure decent pay and conditions for key public service workers.

A new code of practice covering the employment of staff in key areas of contracted-out public services offers, for the first time new protections for low-paid but vital public service workers.

Staff transferred to new employers under the Best Value regime have their terms and conditions protected. The new code of practice will also ensure that:

- terms and conditions for new employees are no less favourable overall than for existing employees
- new joiners have a range of pension rights protections
- an enforcement mechanism will be in place
- the new code will apply not only to local government, as originally envisaged, but also to all 'best value' authorities.

For more information see: http://www.odpm.gov.uk/pns/DisplayPN.cgi?pn_id=2003_0109

New Rights at Work

Working Time

The Working Time Regulations 1998 marked a milestone in UK employment rights. For the first time ever UK workers were legally entitled to paid holidays. The new rights include:

- Four weeks paid holiday
- No obligation to work more than 48 hours per week
- At least one day off per week
- 11 hours uninterrupted break between the end of one working day and the start of the next
- A rest break when the working day is more than six hours.

As a direct result of these measures:

- Around 2 million adult employees benefited from increased rest periods and breaks
- 18,000 young workers received increased rest periods and breaks
- 3.5 million people employed as night workers entitled to health assessments
- 2.5 million employees received an increase in their minimum paid leave entitlement

Certain sectors were originally excluded from the scope of these regulations. However, this August, we extended the working time measures to previously excluded sectors such as – all non

mobile workers; all workers in the rail and offshore sector, all workers in aviation who are not covered by the Aviation Directive, and all workers in road transport who are not covered by the Road Transport Directive. Workers in the road transport sector who are covered by the Road Transport Directive also received the right to paid annual leave and, if they are nightworkers, to health assessments.

For more advice and information contact the **Acas National Helpline: 08457 47 47 47**.

Part-time Workers

In July 2000 we introduced regulations to improve the working conditions of Britain's six million part-time workers of whom over 80% are women. They give part-timers the same rights as full-time colleagues including equal:

- Hourly rate of pay
- Access to company pension schemes
- Entitlements to annual leave and maternity/parental leave on a pro-rata basis
- Entitlement to contractual sick pay
- Treatment in access to training
- Entitlement to staff discounts and bonus schemes.

For more advice and information contact the **Acas National Helpline: 08457 47 47 47**.

Fixed-Term Contracts

In 2002, the Government introduced regulations to improve the quality of fixed-term work and limit abuses such as the use of successive fixed term contracts. More than a million people may have benefited from this.

For more advice and information contact the **Acas National Helpline: 08457 47 47 47**.

Agency Workers

The Government's package of fair and decent minimum standards at work has already delivered several new employment rights for those people working as temporary agency workers. This includes a number of 'Day One' rights including restrictions on working time and the introduction of the National Minimum Wage. And has greatly benefited thousands of agency workers, particularly women and ethnic minority workers, many of whom previously received substandard wages. In addition, we have produced specific proposals to tighten the conduct of employment agencies.

For more advice and information contact the **Acas National Helpline: 08457 47 47 47**.

Miners' Compensation

The Government has taken action to support those hard working men and women who have spent much of their working life in

our coal industry. The responsibilities for coal workers transferred to DTI on 1 January 1998.

Since that time, over £1.5 billion has been paid to former miners and their families under the Coal Health Compensation schemes for respiratory disease and Vibration White Finger (VWF).

In addition, nearly 83,000 respiratory disease claims have been settled in full, with a further 67,000 interim payments being made. Over 65,000 VWF claims have been settled in full, with a further 82,000 interim payments being made.

For more advice and information go to:
<http://www.dti.gov.uk/coalhealth/01.htm>

TUPE – General Reforms

In February 2003, the Secretary of State for Trade & Industry announced how the Government intends to take forward reform of TUPE (The Transfer of Undertakings (Protection of Employment) Regulations) following extensive consultation on the issues. TUPE is legislation that protects employee rights when the business they work for is transferred to a new owner.

The reforms will apply TUPE more comprehensively to service contracting operations involving labour-intensive services such as office cleaning, catering, security guarding and refuse collection.

The reforms will also improve the way TUPE operates when insolvent businesses are sold, to help promote the 'rescue

culture' and save businesses and jobs that would otherwise be lost. A consultation paper should be issued before the end of 2003.

TUPE – Pensions

Unlike other terms and conditions, occupational pension scheme membership is not at present protected on a TUPE transfer. This means that employees could sometimes suffer a serious reduction in, or even complete loss of, occupational pension entitlement purely because of a transfer.

On 11 June 2003 the Secretary of State for Work and Pensions announced reform of the occupational pension regime. As part of this reform, measures will be introduced to ensure that where employees have pre-transfer occupational pension rights, the new employer is required – as a minimum – to match employee contributions up to six percent of salary (making a maximum of twelve percent of salary) in a stakeholder scheme.

These measures are to be included in the Pensions Bill planned for introduction in the next Parliamentary session, and DTI will be closely involved in their drafting.

Pensions

We have announced a number of measures safeguarding the rights of members of occupational schemes. These include:

- Pensions Protection Fund – protecting pension rights accrued when a company goes bust.

- Full Buy Out – ensuring that, where a solvent company chooses to wind up its scheme, it should fully buy out members' benefits.
- New Pensions Regulator – with activity targeted on badly run and high-risk schemes.

For more information see:

<http://www.dwp.gov.uk/consultations/consult/2002/pensions/>

Additional Protections for Those in Work

We have set up other new rules for fairer treatment of all workers. These include:

- Giving workers attending a grievance or disciplinary hearing the right to be accompanied by a colleague or a trade union official.
- Reducing the qualifying period for employees' protection against unfair dismissal from two years to 12 months.
- Increasing the limit on compensation for unfair dismissal. The limit currently stands at £53,500.
- Preventing employers asking employees on fixed-term contracts of one year or more to waive their rights to unfair dismissal if the contract is not renewed.
- Protecting workers from dismissal or victimisation for whistle blowing. As a result of the Public Interest Disclosure Act 1998, workers are able to make disclosures about wrongdoing to their employer, so that problems can be identified and resolved quickly within organisations, without fear of retribution.

For more advice and information contact the **Acas National Helpline: 08457 47 47 47**.

New Rights to be Represented

We have introduced new rights to enable more effective collective representation

- A statutory procedure for union recognition where a majority of the workforce wants it. This statutory procedure has directly and indirectly helped around 250,000 workers since 1998. During this period, over a thousand new recognition deals have been reached. In no other corresponding period over the last 25 years have so many recognitions been achieved.
- With the TUC and CBI we have drawn up proposals for a new right to information and consultation on issues such as redundancies and transfers and the economic prospects for the business.
- European Works Councils were introduced in 2000 to improve information and consultation in large, multi-national companies.
- We have also ensured that employers must consult recognised unions, or other representatives of employees where there is no union, when major redundancies and business transfers occur.
- A right to be accompanied by a fellow worker or a trade union official in grievance and disciplinary procedures has come into force.
- Given new statutory rights to union learning representatives – a new type of trade union representative who advise union members about their training and learning needs – to reasonable time off with pay to carry out their work. In addition, we have increased contributions to the Trade

Union Learning Fund, which is used in part to develop the growing network of union learning representatives. The initial allocation of £12.5m to run from 1998 to March 2002 has been boosted with £9m for 2002-3, and a further £33.6 million has been allocated for the next three years up to 2005/06.

- We have introduced new protection for individuals taking lawfully organised, official industrial action. It is now automatically unfair to dismiss such individuals during the first eight weeks of industrial action. It is also been made unlawful for employers to dismiss employees after this 8-week period where the employer has failed to take reasonable steps to resolve the dispute. And we have simplified industrial action law.
- We have made it easier for individuals to pay their union subscriptions directly from their pay by removing unnecessary bureaucratic restrictions. Over two million trade union members have benefited from this measure.

For more information on collective rights see

<http://www.dti.gov.uk/er/union.htm>

The Partnership at Work Fund has also been set up to encourage the development of workplace partnerships between employers and employees.

For more information on this see

<http://www.dti.gov.uk/partnershipfund/index.html>

Family Friendly Policies

People often experience difficulty balancing their many work and family responsibilities. And this can have a significant impact on the way they work. Preliminary findings of the 2003 Work/life balance survey show that 93% of employers agree that people work best when they can strike a healthy balance between work and the rest of their lives. We have introduced new rights to enable people to better balance work with family life. In April 2003 we introduced a package of new laws to provide parents with more choice and more support than ever before in ways that benefit everyone – employers, employees and their families. These include:

Flexible working

Parents gained the right to apply for more flexible, family friendly working arrangements in April 2003. And their employers have a legal duty to consider these requests seriously. 2.0 million men and 1.5 million women with children aged under 6, plus an additional 200,000 parents with disabled children under 18 will benefit from these measures. Employers can only refuse such a request where there is a clear business case to do so.

Maternity leave and pay provisions

In 1999 we increased ordinary maternity leave from 14 to 18 weeks for all women, regardless of length of service. From

6 April 2003 this was extended still further from 18 to 26 weeks to the benefit of over 350,000 women. Payment of Statutory Maternity Pay and Maternity Allowance has also been extended to 26 weeks. The standard rate payable has increased to £100 a week an increase of 60% on that payable in 2001 (£62.20). The qualifying service for additional maternity leave has been reduced so most mothers will be able to choose to take a year off work.

Paternity leave

From April 2003, for the first time, new fathers have the right to two weeks paid paternity leave, recognising the valuable role fathers play in caring for their new children and supporting their partners. Around 400,000 fathers benefit.

Adoptive Parents

Adoptive parents have also gained new rights to adoption leave and pay for the first time in April 2003. Adopters can take 26 weeks' paid adoption leave and 26 weeks' unpaid leave. These parents, who previously received no financial support for staying with the child following placement, will be up to £2,600 better off.

These new measures introduced through the Employment Act 2002 are in addition to the package of other family-friendly rights we introduced in 1999:

Parental Leave

Parental leave is a right for parents to take time off work to look after a child or make arrangements for the child's welfare. Parents can use it to spend more time with children and strike a better balance between their work and family commitments. Most parents are entitled to 13 weeks' parental leave in respect of each child, which they can take up to their child's fifth birthday. Parents of children for whom an award of Disability Living Allowance has been made can take 18 weeks' parental leave up to their child's 18th birthday.

Time Off for Dependants

Employees have also been given the right to a reasonable amount of time off work in order to deal with emergencies involving someone who depends on them such as a child, husband, wife or parent.

For more advice and information on family friendly policies consult www.dti.gov.uk/workingparents or contact the **Acas National Helpline: 08457 47 47 47**.

Equality and Diversity

Unfair discrimination is bad for the individuals who are denied jobs and access to vocational training, who suffer victimisation or harassment, because of prejudice. It is also bad for the businesses which are denying themselves access to the widest pool of talent and not sharing in the benefits – such as increased motivation, lower turnover of staff, and access to wider markets – that a diverse workforce and effective equality policies can bring.

Our strategy covers six areas: gender, race, disability, sexual orientation, religion and age.

Sex Discrimination

The Government has introduced a number of practical measures to enhance the position of women at work. For example, we introduced an equal pay questionnaire in April 2003. This makes it easier for both women and men who have been discriminated against to resolve matters in the workplace. This and other measures in the Employment Act 2002 make it easier to take up equal pay cases by simplifying the existing procedure.

(For more information on the equal pay questionnaire see: http://www.womenandequalityunit.gov.uk/pay/update_question.htm)

In July 2003, we introduced new regulations amending the Equal Pay Act 1970 and the Sex Discrimination Act 1975.

The equal pay regulations:

- a) extend the six-month time limit within which a woman must bring an equal pay claim before an employment tribunal in cases of 'concealment' and 'disability';
- b) replace the previous two-year limit on the period over which an employment tribunal could award back pay with up to six years in England and Wales, and up to five years in Scotland;
- c) introduce a new rule that will enable equal pay claims to be brought during period of a stable employment relationship or within six months of its end. Previously, separate equal pay claims had to be brought at the end of each individual contract.

More guidance on changes to the Equal Pay Act and Sex Discrimination Act is available at:

http://www.womenandequalityunit.gov.uk/research/index.htm#EqPA_SD_ammendregs

Race

The Government is making important changes to the Race Relations Act. The new legislation will give people greater protection from unlawful racial discrimination and harassment. The Key improvements include:

- new definition of indirect discrimination which means more 'informal' practices are more likely to be covered by the Act and there will be more circumstances in which claims of indirect discrimination can be brought.
- statutory prohibition of harassment, which means that the law is clearer, and that it will be of greater assistance to those who suffer harassment.
- burden of proof. In practice this means that there will be a need for respondents to provide evidence to support any denials of racial discrimination or harassment.

For further information see <http://www.homeoffice.gov.uk/comrace/race/raceact/index.html>

Disability

The Disability Discrimination Act (DDA) has provided protection from discrimination in employment for disabled people since 1996.

Under the Act, someone is considered disabled if they have a physical or mental impairment which has a substantial and long-term adverse effect on their ability to carry out normal day-to-day activities. It is unlawful for an employer to treat a disabled person less favourably than another person, on account of their disability, unless this can be justified. An employer must also consider whether a 'reasonable adjustment' to premises, working practices or other aspects of a job might enable a disabled person to enter or remain in employment. Examples of 'reasonable adjustments' might include a change in working hours, the reallocation of some duties to another worker, or the provision of a piece of specialist equipment.

Further information is available from the Disability Rights Commission (DRC). The Commission can be contacted via its helpline, **08457 622 633**, email **enquiry@drc-gb.org** or website **www.drc-gb.org**.

Sexual Orientation, Religion and Age

We are implementing new anti-discrimination laws tackling inequality in employment and vocational training on the grounds of sexual orientation and religion or belief that come into force in December 2003. This new legislation will, for the first time, provide protection for individuals who suffer discrimination or harassment in the workplace simply because they are lesbians, gay men or bisexuals or because of their beliefs.

These changes are a significant step forward and will make a real difference to the lives of many. We also intend to introduce legislation to outlaw age discrimination in employment and vocational training by October 2006.

Further information is available at **www.dti.gov.uk/er/equality/index.htm**

Further Information

DTI Employment Relations Directorate:

<http://www.dti.gov.uk/er/index.htm>

DTI Employment Market Analysis And Research:

<http://www.dti.gov.uk/er/emar/index.htm>

TIGER – Tailored Interactive Guidance On Employment Rights:

<http://www.tiger.gov.uk/>

ACAS – National helpline: **08457 47 47 47**. Helpline for text phone users: **08456 06 16 00**.

This provides impartial advice and information about employment matters including legal rights and duties. It is available to everyone whether employee, employer, representative or other interested party. Some of the topics most frequently asked about are:

- Discipline and dismissal;
- Notice rights;
- Rights to holidays and holiday pay;
- Family friendly policies;
- Redundancy consultation.

Acas' website: <http://www.acas.org.uk/> also includes a comprehensive question and answer section based on queries to the helpline.

