From the Chairs

8 May 2019

Rt Hon Greg Clark MP
Secretary of State
Department for Business, Energy and Industrial Strategy

Dear Greg

**Implementing the recommendations of the Taylor Review**

As you are aware, both of our Committees have taken a strong interest throughout this Parliament in the Government’s work to improve the rights and protections offered to workers. We published our joint report and draft Bill on *A framework for modern employment* in November 2017, demonstrating the strength of cross-party support for this part of the Government’s agenda.

The Government published its response to the Taylor Review in February 2018. Thereafter, it launched a series of consultations. In December 2018, the Government published its “Good Work Plan”, setting out steps it plans to take in response to Matthew Taylor’s Report. These included extensive plans for improvement in several areas, including legislation on employment status, pay and conditions, and on the maximum penalties that Employment Tribunals can impose on employers who, sometimes repeatedly, breach employment law.

It is now over a year since the Government accepted the majority of Matthew Taylor’s recommendations. None of the primary legislation to implement these has yet been forthcoming, and there has been no sign of the further consultation promised on the creation of the single labour market enforcement body. In the meantime, we have continued to receive worrying evidence of the challenges faced by workers in multiple sectors. For example, we have heard about:

- “Self-employed” workers at some of the largest gym chains in the UK being required to fulfil conditions associated with “worker” status—such as wearing a uniform or “paying back” time or money to the gym if they are sick or on holiday;¹
- Taxi drivers for Addison Lee working excessively long hours, struggling to earn even the National Living Wage—and having to pay commission and rental charges for their vehicles;²

¹ Private correspondence with the Chair of the Work and Pensions Committee
² *Luton Airport cab drivers strike over pay rates*, The Guardian, 1 May 2019
• Public sector “art educators” at the National Gallery successfully challenging their self-employed status;³
• Continuing uncertainty and confusion over the status of workers undertaking sleep-in shifts in social care settings;⁴
• Ongoing problems in enforcement of workers’ rights: both in challenging their employment status in the first instance, and, if they win, extending justice to people in a similar position in their company’s workforce who may also have been misclassified.⁵

Piecemeal efforts, such as the Uber tribunal decision and the agreement between Hermes and the GMB are welcome but barely scratch the surface of the vast numbers of people struggling unfairly in insecure work. These cases demonstrate the urgent need for legislation to clarify employment status and to extend and enhance rights and their enforcement. In light of the substantial delays so far, might you please update our Committees on the timing and breadth for this crucial legislation. We would be grateful for a response by 25 May.

With best wishes and we look forward to hearing from you,

Rt Hon Frank Field MP
Chair, Work and Pensions Committee

Rachel Reeves MP
Chair, Business, Energy and Industrial Strategy Committee

³ https://www.bbc.co.uk/news/uk-england-london-47409755
⁵ Frank Field and Andrew Forsey, Legalising the gig economy, March 2019