

## WRITTEN MINISTERIAL STATEMENT (Commons)

**Jo Swinson, Minister of State for Employment Relations and Consumer Affairs, Parliamentary Under Secretary - DEPARTMENT FOR BUSINESS, INNOVATION AND SKILLS**

### **Employment Law 2013: progress on reform**

**14 March 2013**

The Government wants to ensure that UK has the best framework of employment law to create a flexible and fair labour market, which is necessary to support economic growth. It enables employers to turn demand into jobs and enables individuals to find and keep jobs that suit them.

The UK labour market currently performs well. Over a million private sector jobs have been created in the last two years. With employment at 29.7 million there are now more people in employment than ever before. Businesses are creating jobs at a rapid rate and we believe that our 'light and even' employment regulation regime has helped in this. But some businesses believe that UK employment laws are burdensome and have generated perverse incentives that encourage workers to seek out the courts rather than mediation.

Through the Employment Law Review we are looking at all aspects of regulation affecting the employment relationship and employment life cycle with the aim of reducing unnecessary burdens and making the underpinning legislation as simple and effective as possible while protecting essential worker rights. Our aim is to ensure that regulation is targeted appropriately, keeping the State out of areas where the parties are best placed to manage the employment relationship themselves.

Today the Government is publishing **Employment Law 2013: progress on reform** which sets out our continuing vision of creating a flexible, effective and fair labour market. It outlines key achievements made to date and looks ahead to ongoing and future workstreams to support this.

We are also publishing the Government response on the recommendations following the **Fundamental Review of Employment Tribunal Rules by Mr Justice Underhill**.

Mr Justice Underhill made a number of recommendations to simplify and streamline the employment tribunals system and has drafted new rules of procedure for Employment Tribunals, which the Government has consulted on. In addition, Government also took the opportunity to ask some questions about the non payment of Employment Tribunal awards. The Government, alongside Mr Justice Underhill, has considered all the responses to the consultation, and where appropriate, has reflected these changes in the new rules of procedure. Other responses may be considered as part of the Presidential guidance, which will be drafted by the Presidents of the

Employment Tribunal in England & Wales and Scotland to accompany the new rules.

The main changes include:

- New procedures aimed at addressing potentially weak claims and more robust case management;
- Presidential guidance to help ensure that judges are dealing with hearings in a consistent manner which ensures parties know what to expect and what is expected of them.
- A simplified procedure for withdrawing and dismissing claims;
- A new procedure for preliminary hearings that combine separate pre-hearing reviews and case management discussions;

It is the Government's intention that the new rules of procedure will be published to coincide with the introduction of Employment Tribunal fees, which will require additional changes to the rules of procedure. Government believes that whilst the original intention was to introduce the Underhill changes to the rules in April, it is preferable to make both sets of changes to the rules of procedure at the same time, rather than in a piecemeal way. This will allow users of the system to familiarise themselves with one new set of rules, rather than different versions. It is expected that the new rules of procedure will be laid before Parliament in due course, and in good time before they come into force this summer.

Copies of the documents being published today have been placed in the Libraries of the House.

