

8 December 2022

Constitution, Europe, External Affairs and Culture Committee Sent by Email

Dear Committee members,

I am writing regarding your work as the lead committee scrutinising the Retained EU Law (Revocation and Reform) Bill.

The CIPD has already written to the UK Government in partnership with several civic organisations as well as the Trades Union Congress (TUC) outlining our concerns with the Bill and calling for it to be abandoned in its current form.

If this Bill is passed it runs the risk of upending many years of case law in the UK and would make interpretation of the law uncertain and add pressure to our courts and tribunals system.

There are also concerns over the volume of legislation that would need to be generated in the UK's Parliaments and the impact this would have on the legislative agenda. We believe this runs the risk of poor or even detrimental legislation coming into force. It is also clear that these changes will be costly and bureaucratic, undermining the stability that workers and businesses need, especially when facing an economic recession.

Our evidence has consistently shown that UK employers do not find employment legislation to be an impediment to growth and feel that the UK has a balanced approach to employee rights and employer obligations. While there may be specific areas where change is desirable, this should not be done in such a blunt approach.

The CIPD's 2017 report - *Employment regulation in the UK: burden or benefit?* - showed that the majority of employers surveyed recognised that the twenty-eight listed areas of employment law, which include EU-derived legislation such as the Working Time Regulations, agency workers' rights, TUPE and compensation claims for discrimination, were necessary. This rises to three-quarters of employers for twenty of the twenty-eight listed areas. The report also highlights that there is a risk polarised rhetoric on abolishing 'red tape' can mask the true impact of regulation in the workplace.

Furthermore, the UK Department for Business, Energy and Industrial Strategy survey -*Longitudinal Small Business Survey* - shows that of the 42% of employers surveyed who said that red tape or regulation was a barrier to success, only 14% mentioned employment law. We see no evidence of an overwhelming demand for sweeping changes.

However, the CIPD believes that all aspects of employment law need regular scrutiny to assess whether it is fit for purpose. Our report shows that employers do not always think legislation they see as being necessary is well drafted or easy to implement. This was particularly so with legislation on TUPE, modern slavery, whistleblowing, unfair dismissal, and agency workers. A rushed legislative process exacerbates the risk of badly drafted law.

The CIPD understands that employment law is outwith the remit of the CEAAC committee, however, the changes that this Bill would bring will inevitably impact workers and businesses across Scotland. Therefore, we are eager to bring to your attention the CIPD's views on the risks of a potential negative impact the Bill could have on Scottish workers, businesses and the wider economy.

If we can offer any further clarification on our opposition to this Bill, please do get in touch.

Yours sincerely,

Lee Ann Panglea

Head of the CIPD in Scotland and Northern Ireland

Please see the links to the two reports mentioned below.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file /624580/small-business-survey-2016-sme-employers.pdf

https://beta.cipduat.co.uk/knowledge/fundamentals/emp-law/about/employment-regulationsreport#gref