

December 2007

EMPLOYMENT BILL

A new Employment Bill will, if enacted, impose tougher penalties on employers and dispute resolution procedures will be simplified. The overall effect of the Employment Bill is to strengthen and clarify key aspects of employment law. It was introduced and had its first reading on 6 December 2007 with the aim of receiving Royal Assent by summer 2008.

The proposed legislation would increase the fines paid by businesses not paying workers the National Minimum Wage and introduce unlimited fines for employment agencies that try to exploit workers.

Pat McFadden, Employment Relations Minister, said:

‘These changes would make sure everyone who is caught not paying their workers will be punished. No business should be allowed to get away with unfairly undercutting legitimate operations by exploiting workers.’

In response to the Gibbons review on dispute resolution, the Bill repeals the statutory procedures, easing the regulatory burden on business. It introduces a package of replacement measures to encourage early and informal resolution. Changes to the employment tribunal system are also planned.

Internet Links: [Employment Bill](#) and [Press release](#)