

# New laws bring the world of work into the 21st century

6 months ago



Over 15 million workers across the UK will benefit from a modern framework for workers' rights that helps more people stay in work, supports productivity, and boosts living standards – as the Employment Rights Act has become law today.

New day one rights will now allow 32,000 more dads and partners each year to take paternity leave and 1.5m more parents to take unpaid parental leave. This will support working families to juggle the modern demands of work with raising children.

New statutory sick pay reforms mean 1.3m workers will now be able to take time off when they're sick without worrying about being paid.

Employees who are going through the toughest personal circumstances will also be afforded dignity at work, with up to 2.7m employees a year to gain the right to the new bereavement leave entitlement.

The number of workers on zero hours contracts has risen over the past decade to over 1 million. These workers, who are often the lowest paid in society, will now benefit from new protections against exploitative contracts – ranging from the right to a contract that reflects the hours they work, to compensation if their shifts are cancelled at short notice.

And while people used to have to wait two years before being protected from unfair dismissal, they will now be entitled to this right six months after starting a new job.

The full list of reforms to be introduced can be found [here](#):

Prime Minister Keir Starmer said:

“Today we have proved what a pro-business, pro-worker government can achieve – a modern framework for worker’s rights.”

“This Act sets in motion an increase in living standards, supporting productivity and importantly, more security and dignity for people in work.”

“When we said we’d bring work into the 21st century, we meant it – and today we’ve delivered it.”

Secretary of State for Business and Trade, Peter Kyle said:

“The landmark Employment Rights Act will transform workplace law for the 21st century – bringing stronger protections and the fairness every worker deserves.

“We believe this change is a vital part of creating and maintaining good jobs and fair pay. This government is championing responsible businesses, driving fair competition, and creating a future where hardworking people enjoy real security and opportunity.

“We will deliver this change in partnership with businesses, trade unions and civil society. “

Stronger employment rights are good for the economy. Research from the University of Oxford, University of Warwick, MIT and UCL consistently finds a positive relationship between job satisfaction and productivity. The happier and healthier workers are, the more productive they are – and the longer they stay in their jobs. This contributes to economic growth.

Changes will be introduced gradually over a two-year period, giving businesses plenty of time to prepare. The Government will keep consulting with businesses, trade unions and civil society to make sure we get the detail right.

By delivering this change together, the Government is backing businesses who do the right thing and give hardworking people the dignity, job security and opportunities they deserve.

Minister for Employment Rights, Kate Dearden said:

“Today is a landmark day in Britain, with over 15 million working people set to benefit from the Employment Rights Act.

“These aren’t just statistics – these are real people and real families. The Act will help save workers in some of the most deprived areas up to £600 in lost income from the hidden costs of insecure work, and support working families to juggle the demands of work and raising children. “

Co-op Group CEO Shirine Khoury-Haq said:

“Treating people fairly and with respect is a fundamental part of being a responsible employer.

“The Employment Rights Act will ensure that people can expect fair treatment at work, whoever their employer may be.

“When people feel valued, businesses are better placed to attract and retain the skills they need, benefiting workers, employers and the wider economy.”

TUC general secretary Paul Nowak said:

“This is a landmark day for millions of workers. The Employment Rights Act represents the biggest upgrade in workers’ rights in a generation. It will deliver common sense changes like banning exploitative zero hours contracts, protecting workers from harassment and sick pay for all – and so much more.

“These are hard-won rights that the union movement and workers have long campaigned for. For too long, we have lagged behind our European counterparts on workers’ rights. This legislation takes us closer to the mainstream.”

Chris O’Shea, Chief Executive of Centrica said:

“We’ve seen first-hand that a business thrives when its people thrive and so a stable, fair framework for work helps businesses plan, invest and grow with confidence.

“In the long run, what is good for workers is also good for business and that is ultimately good for the economy as a whole.

“We are delighted to see Royal Assent to the Employment Rights Act which provides greater clarity and certainty for employers and employees alike.”

A list of stakeholder reactions spanning the business community, trade union movement and wider civil society is available [here](#).