



Briefing

Employment, Pensions and Benefits – May 2010

Queen's Speech delivered

The Queen's Speech, delivered today, sets out the government's plans for the next 18 months. The 22 Bills referred to in the Speech provide an overview of the government's legislative programme. Not surprisingly, one of the government's priorities is economic recovery.

Some of the key Bills announced include:

Academies Bill

This will allow more schools to become academies enabling them to opt out of local authority control.

National Insurance Contributions Bill

This will raise income tax allowances and make certain changes to National Insurance contributions.

Pensions and Savings Bill

This will legislate for the phasing out of the default retirement age of 65 and set a timetable for raising the state pension age. It will also restore the link between earnings and the state pension from 2012.

Freedom (Great Repeal) Bill

Attracting a great deal of publicity, this will limit the amount of time that DNA profiles of innocent people can be held on the national database. The Bill will also include greater regulation on the use of CCTV cameras and remove limits on the right to peaceful protest.

Identity Documents Bill

This will abolish the identity card system and National Identity Register introduced by Labour and cancel the next generation of biometric passports.

Health Bill

This will give health professionals and patients more say over NHS decision-making and the new Health Secretary will provide more details on this in the next few weeks.

Parliamentary Reform Bills

These will introduce wide-ranging measures which include establishing fixed-term elections for Parliament, held every five years, giving constituents the right to 'recall' corrupt MPs between elections and introducing a referendum on changing the voting system to the Alternative Vote.

The first Prime Minister's Questions of the new Parliament will take place on 2 June followed by the government's emergency budget on 22 June.

Last week, the **Coalition: Programme for Government** document was published and there are many provisions which are likely to impact on employers and employment law. These include:

Business

The government wants to create a fairer and more balanced economy where new business and economic opportunities are more evenly shared between regions and industries. It proposes to:

- Cut red tape by introducing a 'one-in, one-out' rule where no new regulation is brought in without other regulation being cut by a greater amount.
- Review employment and workplace laws, for employers and employees, to ensure they maximise flexibility for both parties while protecting fairness and providing the competitive environment required for enterprise to thrive. There is no further detail on what measures are actually proposed.

Equalities

The government believes there are many barriers to social mobility and equal opportunities and it intends to help build a fairer society by:

- Promoting equal pay and taking a range of measures to end discrimination in the workplace.
- Extending the right to request flexible working to all employees, consulting with business on how best to do so.
- Undertaking a fair pay review in the public sector to implement the proposed '20 times' pay multiple. This means that the highest paid person in an organisation is not paid more than 20 times what the lowest paid person earns.
- Looking to promote gender equality on the Boards of listed companies.

At this stage, there is no detail on how these measures will be implemented.

Families and Children

The government will encourage shared parenting from the early stages of pregnancy - including the promotion of a system of flexible parental leave.

Social Care and Disability

The government proposes to reform Access to Work so disabled people can apply for jobs with funding already secured for any adaptations and equipment they will need.

Interestingly, since the general election and the formation of the coalition government, there has been no mention at all about the implementation of the Equality Act 2010.

In early April, the Conservatives announced that whilst broadly supporting the Act there were three specific provisions of the Act that they were not intending to implement if elected, namely, the provisions in relation to positive action, the public sector socio-economic duty and the provisions designed to tackle equal pay. We await developments in this respect.

Further details on all aspects of the government's plans will be provided over the coming months and we will continue to keep you updated.

More information

If you would like further information, or would like to discuss the potential impact of these decisions on your organisation, please call Debra Gers, or your regular Morgan Cole contact.



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