



HR Inc thoughts and Review

A turbulent week indeed for the UK

Well this week has been a significantly turbulent one for the UK. If it is not the standard turmoil of the economy it is employee relations taking the headlines.

So what happened this week? Unless you were unconscious for the entire week you will have heard of the public sector workers strike against pension reforms. In addition to this the Government announced further reforms to employee regulations.

So the strike.... what happened there then? Depending on whom you believe and don't believe the reforms are due to the lack of money in the coffers for a final salary pension scheme partly due to employees living longer but also partly to do with austerity measures. The unions are obviously striking due to the amount of money that their members are going to lose under the pension reforms. Currently, little is paid towards a final salary scheme (% of your final salary depending on your length of service for life in retirement) from the employee and therefore the government pays the vast majority of the pension. It is not unusual to have a final salary scheme although it is not the typical offering available to the majority of private sector employees.

In this process the trade union uses their biggest weapon to force a decision in their favour which is to go out on strike. This has obviously affected businesses and services on the day. A lot of stories good and bad were told on Wednesday from support for the strikes through to a complaints about childcare arrangements for children due to the schools being on strike. Well the jury is out on whether the Unions or the government have won. [Jeremy Clarkson's](#) rant certainly didn't help!!

Whilst this is all going on the government announced further reforms to employment legislation. It has been dubbed the 'most radical reform to the employment law system for decades'. These reforms range from changes to the complex and costly tribunal system, 'no fault' dismissals for small companies and reducing collective redundancy consultation periods. These come along in addition to the extension of the unfair dismissal qualifying period (moving from 12 to 24 months). Vince Cable described these wide ranging changes as 'emphatically not an attempt to give businesses an easy ride at the expense of their staff'.

Truly a turbulent or memorable week for the UK. Watch this space for more issues with the Unions in particular.

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