IoD POLICY PAPER

Labour's Plan to Make Work Pay

Insights from employers

July 2024

Contents

Introduction

Against a backdrop of rising economic inactivity, persistent labour and skills shortages, an ageing population, and changing migration patterns, the ability of employers to attract and retain talent has never been more important.

Creating high-quality, attractive jobs is crucial to long-term business success, and for the majority of businesses who strive to create great working conditions for employees, unscrupulous employment practices elsewhere risk both undercutting them and reducing public confidence in business.

At the same time, the complexity and costs associated with employment law are frequently cited as a significant burden on UK businesses. In an IoD survey of 671 business leaders in January 2022, a third stated that 'compliance with government regulation' was having a negative impact on their organisation (see Appendix: Figure 1). When asked which area of government regulation was proving the most difficult, a quarter (23%) cited employment regulation, more than any other single area.

> **The more regulation we have to contend with the more we will be reluctant to hire. The employment acts are a nightmare to deal with and understand. Politicians never understand the majority of well-meant legislation has the reverse of the desired effect.**
>
> SME, Real estate, South East England
>
> **Currently the complexity and risk associated with the mess of UK employment law is pointlessly damaging to companies and employees. We need fewer and simpler rules.**
>
> SME, manufacturing, Wales

It is clear, then, that the current system requires reform to ensure that it works for both employees and employers.

The Labour Party's "Plan to Make Work Pay" – previously known as the "New Deal for Working People" – includes a range of commitments related to reforming employment rights. Some of these policies – such as on employment status – have also been considered for reform under Conservative governments.

Taken together, this package of employment law reforms would represent a substantial shift in employee relations for the business community. It will therefore be essential that any changes are introduced in a phased and well-signposted way, in order to avoid overwhelming business and minimise the risk of unintended consequences.

Determining the right approach to reform will be a complex task. With a view to contributing to the evidence base on the various areas of employment law mooted for reform in the "Plan to Make Work Pay", the IoD has collected quantitative and qualitative data on the experiences and views of business leaders.

Each of the following sections bring together these data and insights across seven key topics:

1. Dismissal and re-engagement
2. Zero hours contracts
3. Employment status
4. The right to switch off
5. Day one employment rights
6. Equity, diversity, and inclusion reporting
7. Statutory Sick Pay

Insights were gathered from business leaders across the UK during the course of this research. While Labour's proposals would only apply to England, Wales, and Scotland, the findings described in the following sections aim to also be of use in informing ongoing debates around employment law reform in Northern Ireland. The IoD has been engaging closely with the Northern Ireland Department for the Economy as they look to develop options for an Employment Bill to help deliver the Good Jobs objective of the economic mission strategy in Northern Ireland.

Dismissal and re-engagement

When P&O Ferries made 800 of its workers redundant and replaced them with agency workers in 2022, sharp attention was drawn to the related practice of dismissal and re-engagement, more commonly known as 'fire and rehire'.

Although P&O Ferries did not use a straightforward fire and rehire strategy, because it used agency staff to replace sacked staff, the tactics used were similar enough to draw enough political pressure for the government to announce a 'crackdown' on fire and rehire. The resultant Code of Practice is due to come into effect in summer 2024.

Political pressure to implement additional restrictions, or indeed an outright ban, on the practice remains, but how this should be achieved is sharply contested.

Our research found that a clear majority (61%) of business leaders believe that a future government should outlaw dismissal and re-engagement, with only 19% opposed to such a move (see Appendix: Figure 2). Comments from respondents frequently framed the practice as indicative of a failure of business leadership and as posing an unjustifiable risk to a business' reputation and employee relations:

> **If a business needs to change the way it operates, good quality communication and consultation should always be the way forward. Better leadership in companies and an honest, open culture can help these conversations. Simply firing and rehiring is a crude method which isn't conducive to good employee relations.**
>
> SME, Arts, entertainment and recreation, West Midlands
>
> **The most effective and productive organisations have an employee focused culture. This type of process does nothing to create a forward thinking 'one team' approach but instead embeds a feeling of distrust and disengagement, which subsequently impact well-being, productivity, and employee retention.**
>
> SME, Wholesale and retail trade, East of England

However, a significant minority of business leaders emphasised that dismissal and re-engagement can, in exceptional circumstances, be a crucial factor in preventing a business from becoming unviable and all jobs being permanently lost:

> **It should be kept as an instrument of 'last defence', but not abused or over used.**
>
> Large employer, Construction, South East England
>
> **For certain situations this may be necessary - the issue is to make sure there are safeguards to stop abuse.**
>
> Large employer, Water supply, sewerage and waste management, North West England

The focus of policy reform, then, should be to ensure that a) dismissal and re-engagement is only used in circumstances where an organisation faces a serious and credible risk to its viability, and b) that the way the process is undertaken entails genuine engagement and does not use it as a negotiation tactic.

While the Code of Practice represents a step towards these aims, further restrictions on the use of fire and rehire would be justifiable in order to prevent abuse of the system. Labour's commitment in "Plan to Make Work Pay" to introduce a strengthened code of practice is therefore welcome.

Zero hours contracts

The prevalence of zero hours contracts, which do not guarantee minimum working hours, has grown in recent years, leading to concerns about a rise in precarious work and numerous calls to ban the practice.

IoD research has found that the views of business leaders concerning zero hours contracts are more nuanced, and open to reform, than is commonly assumed in political and media discourse. In a survey of 866 IoD members in February 2024, half (48%) of business leaders stated that, while they consider zero hours contracts to have a valid role to play in the UK economy, the practice needs significant reform to safeguard the interests of employees (see Appendix: Figure 3).

The flexibility that marks zero hours contracts is, for some businesses, a crucial tool in enabling them to manage fluctuating demand. This trend is particularly noticeable in sectors where demand peaks and troughs seasonally – such as retail and hospitality – and in sectors where the need for labour is affected by uncontrollable external factors, such as agriculture and fishing.

> **We would be stuffed without them, we could not cope with the ups and downs of demand (e.g. Christmas). Without them, we would employ fewer people.**
>
> SME, Wholesale and retail trade, South West England

> **It would be a nightmare for us and many small businesses and consultants/ contractors if zero hours contracts were changed. They provide an easy way (using pre-agreed terms etc.) to ramp up work fast to meet peaks in demand with known and trusted workers.**
>
> SME, Professional, scientific and technical activities, London

Zero hours contracts can also provide a valuable means of minimising the administrative burdens associated with non-traditional working arrangements:

> **We use zero hours as our staff work across four companies. Without the flexibility of this I could not offer them employment or would have to offer weekly contracts, which would be an administrative nightmare.**
>
> SME, Construction, Scotland

A further theme which emerged clearly in our research was that the flexibility of zero hours contracts is valued by many employees as well as employers. Flexible working arrangements are a particularly valuable tool in increasing workforce participation rates among groups at risk of economic inactivity, such as older workers and parents of young children; any reforms to zero hours contract should therefore avoid compromising the ability of these groups to access working arrangements which suit their lifestyles.

> **We do not offer zero hours, but when we are recruiting we find that many people who join us actively sought out zero hour work earlier in their career as it suited their lifestyle.**
>
> SME, Real estate, South East England

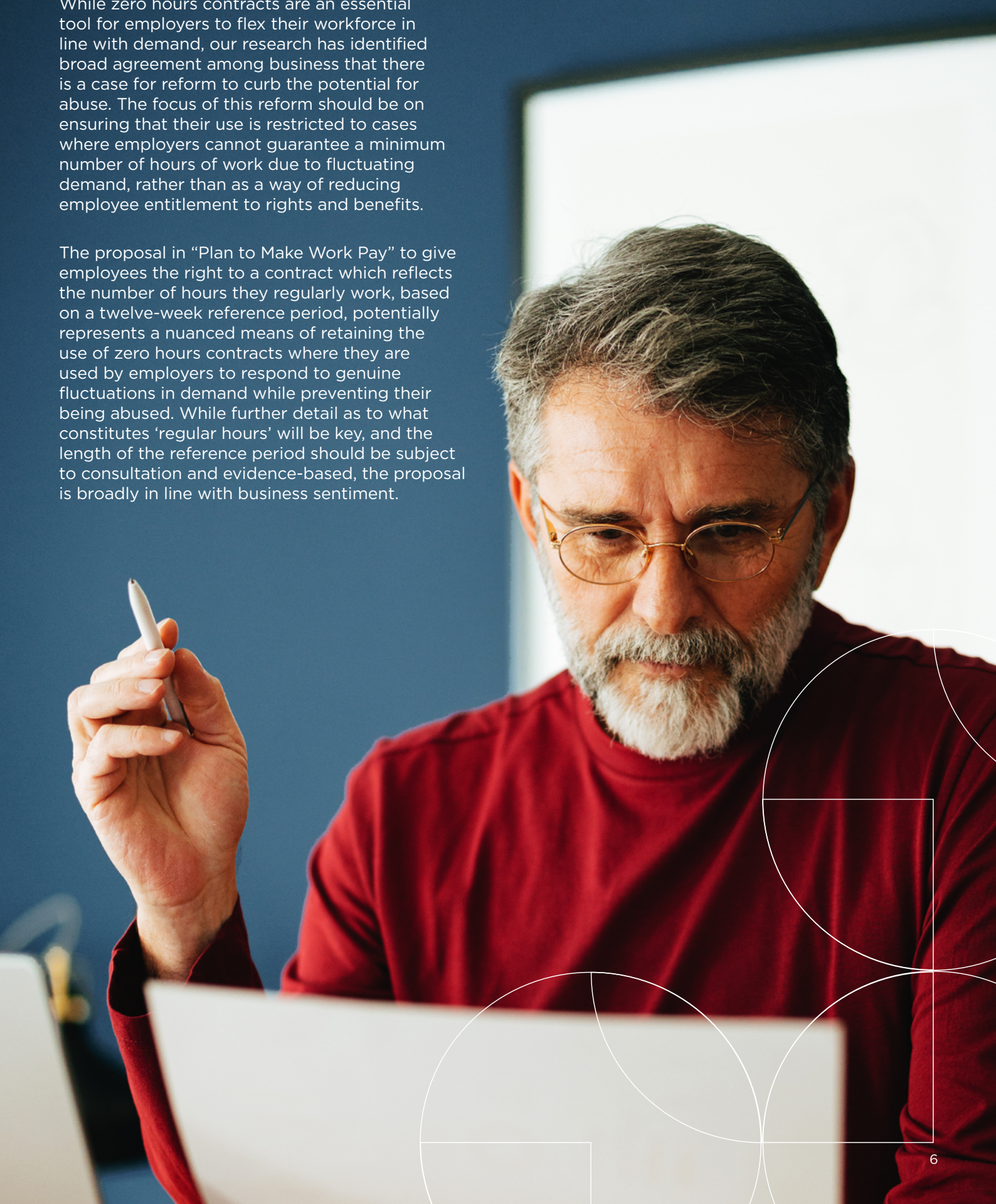
> **We have staff that prefer them (usually retirees who want to come back and work a little but only when it suits them). In a tight labour market we are happy to be flexible for an experienced worker.**
>
> SME, Construction, North East England

48%

of business leaders stated that, while they consider zero hours contracts to have a valid role to play in the UK economy, the practice needs significant reform to safeguard the interests of employees

While zero hours contracts are an essential tool for employers to flex their workforce in line with demand, our research has identified broad agreement among business that there is a case for reform to curb the potential for abuse. The focus of this reform should be on ensuring that their use is restricted to cases where employers cannot guarantee a minimum number of hours of work due to fluctuating demand, rather than as a way of reducing employee entitlement to rights and benefits.

The proposal in "Plan to Make Work Pay" to give employees the right to a contract which reflects the number of hours they regularly work, based on a twelve-week reference period, potentially represents a nuanced means of retaining the use of zero hours contracts where they are used by employers to respond to genuine fluctuations in demand while preventing their being abused. While further detail as to what constitutes 'regular hours' will be key, and the length of the reference period should be subject to consultation and evidence-based, the proposal is broadly in line with business sentiment.



Employment status

The UK's three-tier approach to employment status – employee, worker, and self-employed – has been under scrutiny for some time, with the most common criticisms levied being the complexity of the system and the risk of employers wrongly classifying individuals as workers or self-employed in order to deny them the full employment rights associated with employee status.

In an IoD survey conducted in April 2024, half (49%) of business leaders agreed with the proposal that employee and worker employment statuses should be replaced with a single category of 'worker', while a quarter (27%) disagreed (see Appendix: Figure 4).

While this research found broad support among business leaders for simplifying the framework and preventing abuse of the system, many also highlighted concerns around loss of flexibility for both sides and the usefulness of the present distinction between employee and worker statuses:

> **There are very clear differences between an employee and workers that should remain distinct... There are other ways to protect all workers, including the self-employed, that do not involve changing categories of worker.**
>
> SME, Professional, scientific and technical activities, North West England
>
> **Where employees truly work on a casual basis... it is unreasonable to expect employers to pick up the cost of sick pay and other statutory benefits, and this would be required if there was only one category of employee.**
>
> SME, Professional, scientific and technical activities, Scotland
>
> **There are good arguments for reducing the inappropriate use of worker status to ensure appropriate protections for people in precarious roles which are evidently meant to be employee roles - but those who have high power in the job market and choose the flexibility of worker status could get caught between this new legislation and IR35 constraints on self-employment.**
>
> SME, Accommodation and food services, London

The distinct set of employment conditions needed for an individual to be considered a worker can facilitate a flexible working arrangement which is beneficial for both sides. In particular, the lack of mutuality of obligation enables employers to adapt to fluctuating demand while enabling workers to reject work at their discretion.

The commitment to ending 'bogus self-employment' and inappropriate use of worker status in "Plan to Make Work Pay" is therefore welcome, but a move to a two-tier framework for employment status risks oversimplifying the range of employment relationships which exist.

Each of the three current employment statuses describe distinct employment relationships which should carry with them distinct rights and obligations on both sides. The focus of policy reform should therefore be on ensuring that individuals are not miscategorised, rather than on reducing flexibility by merging the employee and worker statuses.

The right to switch off

The significant increase in location-based flexible working practices since the COVID-19 pandemic has been accompanied by concern about employees' ability to 'switch off' outside of contracted working hours. This concern has led several countries to introduce a variation of a legal 'right to disconnect.'

IoD research on the topic found a general consensus among business leaders that out-of-hours employer contact should not be excessive or unreasonable, with a recognition from many that some form of government intervention to curb abuse may be needed.

The form that such intervention takes will be incredibly important in avoiding a situation where flexible working is undermined and business' ability to function is hampered. Labour's "New Deal" Green Paper, for instance, committed to giving workers "a new right to disconnect from work outside of working hours and not be contacted by their employer outside of working hours." Such an approach would be similar to legislation enacted in Portugal in 2021, which enacted a labour code stating that employers must refrain from contacting workers during their rest periods.

An IoD survey of 687 business leaders in March 2024 found that 58% disagreed with such an approach, with issues raised ranging from a need for flexibility in emergency situations, the implications of businesses operating across time zones, and the expectation that more senior staff should be more open to out-of-hours contact than junior staff (See Appendix: Figure 5):

> **The ability to contact an employee 'in extremis' is valuable and depending on the business and their role potentially critical. This may need to be included in terms of employment and contract but a law preventing this is potentially a minefield and playground for ambulance chasers.**
>
> SME, Health and social work, London

> **The rights of employees need to be balanced against the requirement for a flexible and adaptive labour market and the need for organisations to be able to respond promptly to customer needs.**
>
> SME, Manufacturing, SME

> **There are times and/or levels of seniority where it may be necessary to work and be contacted/contactable out of hours... There needs to be a happy medium with open and honest dialogue between employee and employer.**
>
> SME, Other services, West Midlands

58%

of business leaders disagreed with the right to disconnect for employees

The notion of a blanket ban on contacting employees out of hours is based, somewhat ironically, on a traditional conception of a 9-5 job. Many employees are now able to exercise informal flexibility over their working hours; as such, many opt to work outside of contracted hours in exchange for flexibility during contracted hours.

A key tenet of any approach to a right to disconnect should therefore be that the restrictions concern the extent to which employees can be expected to respond to communication outside of working hours, rather than the ability of employers to contact employees outside of working hours.

> **The employee should have the right to disconnect but employer should still be able to contact out of hours. [It is then] up to the employee to decide whether they respond.**
>
> SME, Professional, scientific and technical activities, South West England
>
> **There should be provisions for contact in exceptional circumstances or if it relates to a critical work matter. The aim of this legislation should be to rebalance the culture of out of hours contact following the pandemic which resulted in an 'always on' culture developing.**
>
> Large employer, Financial services, London

Policy therefore needs to avoid taking a 'one size fits all' approach, and should instead enable employers to adapt the policies to suit the specific needs of the business and its employees. Labour's updated proposal in its "Plan to Make Work Pay" to take a similar approach to Ireland represents a constructive step.

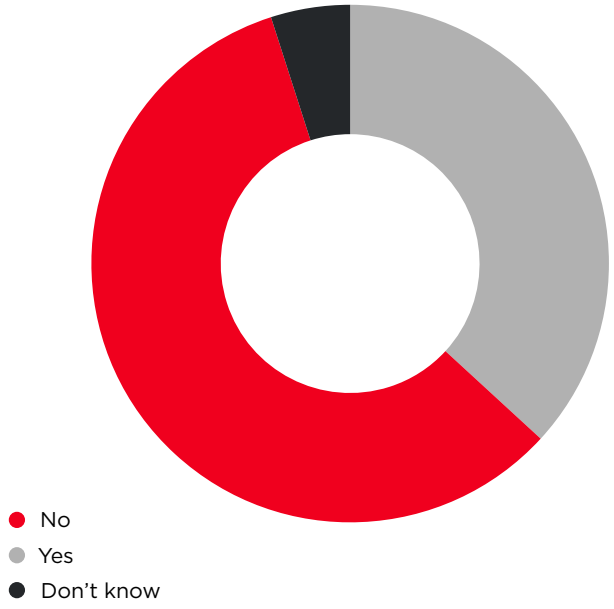
Ireland's use of a code of practice to clarify the right of employees to not have to routinely work outside their normal working hours and to not be penalised for disconnecting, underpinned by a requirement for employers to engage with employees to tailor a policy reflecting the particular needs of its context, represents a sensible approach consistent with the findings of this research.

A code of practice in Great Britain would therefore help to promote good practice and encourage employer-employee dialogue while avoiding the risk carried in a legislative approach of compromising emerging informal flexible working practices.

Figure 5: Right to disconnect, 687 responses

Several European countries have introduced a 'right to disconnect' for employees, restricting the ability of employers to contact staff outside of working hours.

Should a future UK government introduce a 'right to disconnect'?



Day one employment rights

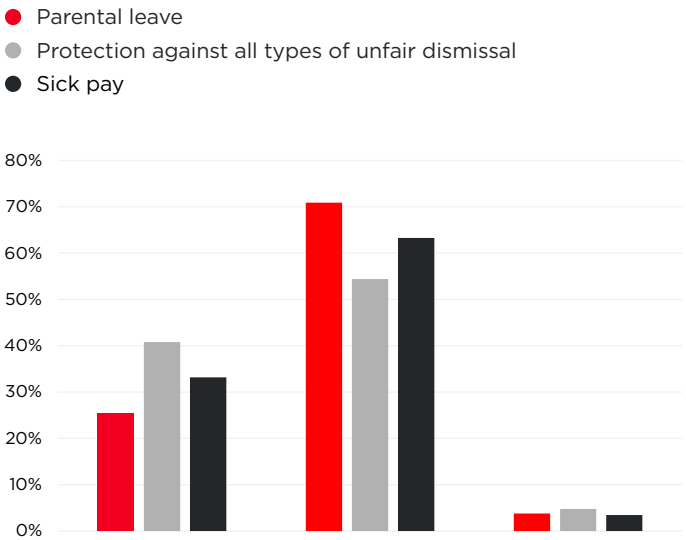
Variations in the qualifying periods for various employment rights have contributed to a fragmented employment law landscape under which employees do not become eligible for some employment rights until two years of service.

While IoD research found that business leaders on the whole disagreed with the principle of ending the qualifying period for all employment rights (see Appendix: Figure 6), a majority of the concerns raised in qualitative feedback concerned what such a move would mean for probationary periods, which were considered essential:

> **Day one rights leaves no way to assess people in the job. It is only in the job that a real assessment can be made. An inability to decide against continuing to employ someone in the early stages of employment would have many detrimental effects on businesses.**
>
> Large employer, Manufacturing, International
>
> **The probation period is the time where both employers and employees assess suitability for the role in a practical situation. Both need the flexibility to easily walk away if it is clearly not working.**
>
> SME, Information and communication, East Midlands

Figure 6: Day one employment rights, 687 responses

Please indicate whether you believe a future UK government should expand 'day one' employment rights to include the following, thereby giving employees access to these rights from the first day of employment:



For many businesses already struggling with rising costs and tight margins, the potential of high costs stemming from universal day one employment rights could increase the perceived risk associated with taking on a new employee:

> **In general most of these changes are good in 'spirit', but the detailed implementation could make recruitment much more risky/expensive so that must be guarded against - flexibility of employment is already a challenge.**
>
> SME, Professional, scientific and technical activities, South East England
>
> **This proposal opens the door to abuse by employees taking on roles and never actually providing any duties for which they are compensated for by employers.**
>
> SME, Wholesale and retail trade, West Midlands
>
> **There has to be a balance between workers' rights and handing employers a problem. Especially [for] SMEs, employees are a limited and expensive resource. To be handed costs and no working employee would have repercussions on employment.**
>
> SME, Information and communication, North East England

The commitment in "Plan to Make Work Pay" to retain probationary periods is therefore welcome; it is essential that the requirements attached to these do not preclude employers from parting ways with employees for any non-discriminatory reasons. More broadly, any alignment of qualifying periods should take steps to reduce the risk to employers, particularly SMEs, of taking on new staff.

Equity, diversity, and inclusion reporting

The introduction of mandatory gender pay reporting has demonstrated that reporting requirements can drive change by focussing senior leadership attention on ED&I, providing useful insights for comparisons between companies and for progress to be meaningfully measured, and often leading to the introduction of KPIs related to ED&I and measurable progress towards closing pay gaps.

There has been growth in recent years in the number of employers voluntarily capturing ethnicity pay gap ratio data, from 11% in 2018 to 19% in 2021[1]. However, in the absence of a regulatory level playing field on which businesses can compete for diverse talent through publishing on consistent workforce data, pay gaps remain stubbornly high.

In 2022, the IoD conducted research on the future of inclusive business and published a series of policy recommendations to government[2], including a recommendation that organisations with more than 250 employees be required to publish disability workforce and ethnicity pay gap reporting.

A recurring theme in the interviews and focus groups conducted with IoD members was the importance of data as a starting point to taking effective action. Respondents also emphasised the importance of transparency, specifically that employers should make anonymised data on ED&I strategies and progress available to all employees. They also highlighted the challenges that employers face in implementing data-led ED&I strategies, such as in ensuring GDPR compliance, encouraging employee disclosure, the weight of bureaucracy, and data in many cases not providing useful insight in small companies.

A survey of IoD members in December 2021 found that, while around a third (31%) of business leaders reported that they would view ethnicity pay gap reporting for large companies as not serving a useful purpose, a significant proportion (28%) would welcome such a change (see Appendix: Figure 7). Most of the remaining respondents raised concerns around employee anonymity (18%) and the burden that reporting would place on business (only 15%), rather than the principle of mandatory reporting itself.

On the topic of disability workforce reporting, a poll of IoD members in January 2022 found that business leaders were fairly evenly divided on the topic: 42% of agreed, 45% disagreed, and 13% were unsure (see Appendix: Figure 8).

The qualitative responses to both questions included concerns that difficulties in defining ethnicity and disability would undermine the validity of any statistical insights, scepticism around the efficacy of reporting in effecting change in business behaviour, and frustration at the increasing number of reporting requirements being placed on employers. However, other responses highlighted the potential of such a policy to emulate the success of gender pay gap reporting in focusing business attention on the issues.

Our research suggests that, on balance, the mandatory disability and ethnicity pay gap reporting for large employers proposed in "Plan to Make Work Pay" would serve as a useful step in increasing transparency around progress on ED&I. Any requirements around action plans should be as light-touch as possible, enabling employers to develop plans which reflect their specific circumstances.

31%

of business leaders reported that they would view ethnicity pay gap reporting for large companies as not serving a useful purpose

28%

of business leaders would welcome such a change

1 Business in the Community (2021). Race at Work 2021: McGregor-Smith Review Four Years On. London: Business in the Community, p.13.

2 Hall-Chen, A. (2022) The Future of business: harnessing diverse talent for success. London: Institute of Directors

Statutory Sick Pay

Rates of sickness absence and ill health in the UK have increased in recent years, particularly since the Covid-19 pandemic, prompting debate around whether the current SSP scheme is fit for purpose. In its "Plan to Make Work Pay", Labour committed to removing the waiting period and the lower earnings limit for accessing SSP.

An IoD survey of 480 business leaders in November 2023, which asked whether they agreed with the proposals to make SSP available from the first day of sickness and remove the lower earnings threshold, found them split on the topic, with 34% agreeing and 43% disagreeing (see Appendix: Figure 9).

A strong theme in the qualitative responses was agreement with the underlying principles of the proposed reforms but concern about resultant increased costs for businesses and the potential for abuse of the system, against a backdrop of record levels of sickness absence:

> **More stringent processes are required to ensure that those genuinely in need of SSP have it and those who misuse it without a genuine need for it are stopped.**
>
> SME, Transportation and storage, North East England

> **This would appear to be increasing both administration and costs for businesses, and many businesses allow staff to take a day-or-two sick without any deduction in salary, and to change it to operate from Day 1 just increases bureaucracy and business costs"**
>
> SME, Other services, South East England

> **Removing the lower earnings limit is a good thing, because the lowest paid suffer the most when genuinely ill. The problem is misuse of the provision and how they prove that they are too ill to go to work. The system is abused already.**
>
> SME, Manufacturing, London

> **I do not believe that the government considers the impact to SMEs when proposing these policies. We are not all large corporations that can soak up staff absences and continue to function effectively.**
>
> SME, Other services, West Midlands

We would therefore recommend that the lower earnings threshold be removed but that a waiting period before SSP can be claimed be retained. Furthermore, any reforms to the SSP system which increase the amount and/or frequency of SSP payments from employers should be accompanied by improved government support for businesses most likely to struggle with the additional costs, particularly SMEs.

Until 2014, employers could claim reimbursement under the percentage threshold scheme if their SSP payments exceeded 13% of their national insurance contributions liability in any tax month, but this scheme was abolished as it was deemed by government to insufficiently incentivise employers to actively manage sickness in the workplace. This reasoning fails to account for the fact that the scheme only enabled employers to reclaim a share of the cost and thus the incentive to actively manage sickness in the workplace remained.

A rebate scheme, targeted at SMEs, would therefore be an essential step in mitigating the impact of SSP reform on the businesses least likely to be able to shoulder the additional cost. Reform should also include steps to reform SSP regulations to allow phased returns to work, as outlined by government in its response to the "Health is everyone's business" consultation in 2021, to enable employees to receive a combination of some SSP and usual wages.

43%

of business leaders disagreed with the proposals to make SSP available from the first day of sickness and remove the lower earnings threshold

34%

of business leaders agreed

Appendix

Figure 1: Employment Regulation: January 2022, 671 responses

Which of the following factors, if any, are having a negative impact on your organisation?

Total	671
Coronavirus outbreak	50%
Cost of energy	42%
Employment taxes	41%
Skills shortages/employee skills gaps	40%
UK economic conditions	40%
New trading relationship with the EU	37%
Compliance with Government regulation	36%
Business taxes	33%
Global economic conditions	30%
Transport cost/speed/reliability	24%
Broadband cost/speed/reliability	21%
Difficulty or delays obtaining payment from customers	18%
Cost/availability of finance	11%
Other (please specify)	8%
None of the above	2%
Don't know/Not applicable	1%

You said 'Compliance with government regulation' was having a negative effect on your organisation. Please select which you find most difficult.

Total	242
Other (please specify)	32%
Employment law	23%
Data protection	18%
Health and safety	10%
Environmental regulations	10%
E-commerce regulations	7%

Figure 2: Dismissal and re-engagement: April 2024, 712 responses

Labour has pledged to end the practice of 'fire and rehire', whereby employers dismiss employees and rehire them under new, often less favourable, contractual terms.

Do you agree that a future UK government should outlaw the practice of 'fire and rehire?'

Total	712
Agree	**31%**
Strongly agree	**30.2%**
Neither agree nor disagree	**18.5%**
Disagree	**11.5%**
Strongly disagree	**7.4%**
Don't know	**1.3%**

Figure 3: Zero hours contracts: February 2024, 866 responses

Unlike a traditional contract of employment, zero-hours contracts offer no guarantee of minimum working hours. What is your view regarding zero-hours contracts?

Total	866
Zero-hours contracts can play a valid role in the labour market but need significant reform in order to safeguard the interests of employees.	**48.5%**
Zero-hours contracts in their current form play a valid role in the labour market and do not need significant reform.	**31.8%**
Zero-hours contracts do not play a valid role in the labour market and should be prohibited.	**14.1%**
Don't know.	**5.7%**

Figure 4: Single status of worker, April 2024, 712 responses

The UK currently allocates rights to workers by organising them into three different categories: worker, employee, and self-employed.

Labour has pledged to create a single status of 'worker' for all but the self-employed. Individuals who are currently considered workers would be afforded the same entitlements and protections as employees, such as sick pay and holiday pay.

Do you agree that a future UK government should create a single status of 'worker' in employment law?

Total	712
Agree	**29.5%**
Neither agree nor disagree	**19.2%**
Strongly agree	**19.2%**
Disagree	**13.9%**
Strongly disagree	**13.8%**
Don't know	**4.4%**

Figure 5: Right to disconnect, March 2024, 687 responses

Several European countries have introduced a 'right to disconnect' for employees, restricting the ability of employers to contact staff outside of working hours.

Should a future UK government introduce a 'right to disconnect'?

Total	687
No	**58.22%**
Yes	**36.83%**
Don't know	**4.95%**

Figure 6: Day one employment rights, March 2024, 687 responses

At present, employees access certain employment rights - such as sick pay, parental leave, and protection against certain types of unfair dismissal - only after a qualifying period. Please indicate whether you believe a future UK government should expand 'day one' employment rights to include the following, thereby giving employees access to these rights from the first day of employment:

Total			687
	Parental leave	Protection against all types of unfair dismissal	Sick pay
Yes	**25.3%**	**40.8%**	**33.2%**
No	**70.9%**	**54.4%**	**63.3%**
Don't know	**3.8%**	**4.8%**	**3.5%**

Figure 7: Ethnicity pay gap reporting, December 2021, 480 responses

Currently, all employers with more than 250 staff must report their gender pay gap. How would you view a requirement for these firms to also report their ethnicity pay gap?

Total	609
I would welcome it	28%
I would have concerns around employee anonymity and ethnicity data	18%
It would represent an excessive burden on business	15%

Figure 8: Disability workforce reporting, January 2022, 480 responses

Do you think that large employers (250+ employees) should be required to report on the proportion of employees identifying as disabled?

Total	671
No	45%
Yes	42%
Don't know	13%

Figure 9: Statutory Sick Pay, November 2023, 480 responses

The Labour Party has committed to amending statutory sick pay, by removing the lower earnings limit and enabling employees to access it from the first day of sickness, to bring more workers in scope. To what extent do you agree with this policy?

Total	480
Disagree	25.8%
Agree	25.2%
Neither agree nor disagree	19.8%
Strongly disagree	17.1%
Strongly agree	8.5%
Don't know	3.5%

About the author

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With particular thanks to the IoD members who shared their views with us, and to the subject matter experts who gave freely of their time to inform the recommendations made in this paper.

Please contact alexandra.hall-chen@iod.com with any feedback.

The Institute of Directors is a non-party political organisation, founded in 1903, with approximately 20,000 members. Membership includes directors from right across the business spectrum, from media to manufacturing, professional services to the public and voluntary sectors. Members include CEOs of large corporations as well as entrepreneurial directors of start-up companies.

The IoD was granted a Royal Charter in 1906, instructing it to "represent the interests of members and of the business community to government and in the public arena, and to encourage and foster a climate favourable to entrepreneurial activity and wealth creation." The Charter also tasks the Institute with promoting "for the public benefit high levels of skill, knowledge, professional competence and integrity on the part of directors", which the IoD seeks to achieve through its training courses and publications on corporate governance.

The IoD is an accredited Good Business Charter organisation.

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