



# Department for Business & Trade

**Rt Hon Jonathan Reynolds MP**  
**Secretary of State for the Department for**  
**Business & Trade and**  
**President of the Board of Trade**  
Old Admiralty Building  
Admiralty Place  
London  
SW1A 2DY  
United Kingdom

**The Rt Hon. the Baroness Coffey DBE**  
House of Lords  
London  
SW1A 0PW

W: [www.gov.uk](http://www.gov.uk)  
T: +44 (0) 202 4551 0011  
E: [reynolds.correspondence@businessandtrade.gov.uk](mailto:reynolds.correspondence@businessandtrade.gov.uk)

Our ref: MCB2025/04994

20<sup>th</sup> May 2025

Dear Baroness Coffey,

Thank you for your correspondence of 2 May regarding the Employment Rights Bill and the Impact Assessments published by Government. I understand you also wrote to the Cabinet Secretary and the Leader of the House of Lords. I am responding as sponsor of the Bill and because my department is responsible for the policy governing Impact Assessments.

I would like to assure you that my officials adhered to the Government's guide to making legislation (GTML) and met our requirements under the Better Regulation Framework (BRF) to provide proportionate analysis of impacts on businesses, households, and the wider economy. Our Impact Assessments provide an initial, indicative assessment of the impacts that could result from primary legislation. This represents the best estimate for the likely impacts given the current stage of policy development and is grounded in the best available evidence, having been developed in consultation with external experts and stakeholders, including academics and think tanks.

To support scrutiny and understanding of the Bill, ahead of introduction to the Lords, we published three further impact assessments which covered key elements of amendments that were made to the Bill. Otherwise, the changes made to this Bill during passage have not significantly changed the overall economic narrative. For example, Simon Deakin, Professor of Law, University of Cambridge, said, "The research we have done in Cambridge shows that on average, strengthening employment laws in this country in the last 50 years has had pro-employment effects." In addition, academics at Warwick University, Oxford University, MIT, and UCL all find a positive relationship between job satisfaction and productivity in their research. All this evidence is laid out in our Impact Assessment.

Regarding the points in your statement on Chapter 13, paragraphs 13.16 and 13.17 of the GTML: it has always been our intention to refine our analysis as policy development continues, working closely with external experts, businesses and trade unions. As is typical with employment legislation, the technical detail of many of the policies in the Employment Rights Bill will be provided through regulations, and in some cases Codes of Practice, after Royal Assent.

It has always been our plan to publish further analysis, firstly in the form of an Enactment Impact Assessment when the Bill secures Royal Assent, which will reflect the final contents of the Employment Rights Bill. Second, we plan to publish further assessments when we consult on proposed regulations.

Further, our Impact Assessment outlines a plan for monitoring and evaluating the impact of the Bill and subsequent secondary legislation. This will provide enough time to gather sufficient evidence and data for evaluation purposes. This will allow us to evaluate the effectiveness of the Bill's measures in achieving its stated objectives and influence future policy making.

I take seriously my department's responsibility to inform Parliament of its policies and legislative proposals — doubly so as the cabinet minister responsible for the Government's compliance with the Better Regulation Framework. We will continue to deliver robust analysis to support ministerial decision-making and parliamentary scrutiny regarding the Employment Rights Bill and its implementation.

Yours sincerely,

A handwritten signature in blue ink that reads "Jonathan Reynolds". The signature is written in a cursive, flowing style.

**Rt Hon Jonathan Reynolds MP**

Secretary of State for the Department for Business and Trade  
President of the Board of Trade