INTERNATIONAL LABOUR LAW NETWORK **NEWSLETTER**

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INTERNATIONAL LABOUR LAW NETWORK

DECEMBER 2025

Dear Reader,

In the last issue of our monthly Newsletter in 2025, you will find some interesting texts on various aspects of labour law in countries where the law firms that cooperate with ILLN operate.

You will learn, among other things, how employers in France should address risks associated with employees' alcohol abuse. From the article coming from the country on the Apennine Peninsula, you will be able to form an opinion on the latest developments regarding the rules on trade union representation in relations with employers under the Italian law. Meanwhile, the ILLN-associated law firm from Luxembourg presents the most important labor law challenges in that country, both for 2025 and in the coming year, 2026. In Amsterdam, we will learn, using the example of the Netherlands, what impact artificial intelligence has on works councils.

As you can see, the range of topics is extremely wide and reflects, first and foremost, the diversity we face in Europe, but also shows the possibilities and competences we have as the ILLN.

I warmly invite you to have a read.

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Top ILLN News

YEAR-END CELEBRATIONS: HOW CAN EMPLOYERS PREVENT ALCOHOL-RELATED RISKS?

FRANCE

Alcohol consumption in the workplace remains an occasional practice that becomes more frequent with year-end celebrations organized by the company or farewell gatherings. While such events foster better team cohesion, incidents may occur that can have serious, even fatal, consequences for employees. It is the employer who bears responsibility in case of accidents he must therefore take the appropriate preventive measures to avoid any risk.

What does the French Labour Code provide regarding alcohol in the workplace?

Regarding alcohol consumption at work, the Labour Code authorizes the introduction or distribution of certain alcoholic beverages in the workplace (Article R4228-20 of the Labour Code), namely: wine, beer, cider, and perry.

In order to protect employees' health and safety, an employer may wish to impose a general prohibition on alcohol consumption within the company.

However, a general and absolute ban is only authorized if the employer can demonstrate specific circumstances evidencing a particular risk or danger. A zero-tolerance alcohol policy must therefore be (i) justified by the nature of the tasks performed and (ii) proportionated to the safety purpose pursued. Such a prohibition must be expressly set out in the company's internal regulations (*règlement intérieur*).

Are festive events subject to the same rules?

Are festive events such as year-end parties and gatherings organized outside working hours subject to the restrictions provided for by the Labour Code?

If the gathering is organized on company premises, the only authorized alcoholic beverages are wine, beer, cider, and perry. Spirits are prohibited.

Outside the workplace, the applicable rules differ insofar as the company's internal regulations do not apply.

Year-End Gatherings organized by the company and accidents: What Is the Employer's Liability?

During company celebrations, excessive alcohol consumption may increase the risk of work-related accidents. An accident occurring under such circumstances and during year-end gatherings may be qualified as a work-related accident.

FRANCE

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The employer's liability may be incurred if appropriate preventive measures have not been taken. The employer's criminal liability for failure to assist a person in danger could be sought if the employer was aware that the employee was not fit to drive and did not take the necessary measures to stop the employee from doing so.

The Labour Code provides for an obligation to take the necessary measures to ensure employee safety (Article L4121-1 of the Labour Code). This obligation applies to celebrations organized both on company premises and at external venues. This obligation may even extend to gatherings organized by employees themselves, where such events have been authorized by the employer.

In any event, the employer may be held liable if they tolerate a dangerous situation related to alcohol consumption and/or have not taken any measures to protect employees' health and safety.

Balancing Safety and Conviviality: Preventive Measures to Adopt

The employer must strike a balance between safety and conviviality. They may therefore implement a proactive prevention approach to reduce risks for employees. To this end, they are required to adopt certain measures:

Preventive Communication: Send a general reminder of the rules regarding alcohol consumption at company gatherings. This reminder may may also be included in invitations to events organized by companies.

Beverage Management: The quantity of alcohol may be limited and open-bats should not be proposed. Additionally, non-alcoholic beverages may be served regularly along with food to prevent blood alcohol concentration peaks.

Practical Organization: Establish a procedure to follow when an employee is not fit to drive. This procedure could include assistance for employees who may have difficulty returning home safely such as the obligation to use a cab.

Raising Employee Awareness: of the risks associated with alcohol consumption.

Monitoring and Supervision: Make breathalyzers available to employees. The use would only be possible on a voluntary basis by the employee. The employer may only require the use of a breathalyzer in cases and under conditions provided for in the internal regulations. The use of breathalyzers is only permitted under two cumulative conditions: it must (i) be limited to employees performing certain tasks or operating certain vehicles or machinery, and (ii) be accompanied by appropriate safeguards for the employee.

Responsible Supervision: Appoint management representatives who must remain until the end of the gathering, manage any problematic situations, and refrain from consuming alcoholic beverages.

In order to ensure that year-end gatherings — which play an important role in fostering team cohesion—remain convivial and enjoyable occasions, companies must implement appropriate preventive measures.

Season's greetings!

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WHO GETS A SEAT AT THE TABLE? A NEW FOLLOW-UP ON TRADE UNION REPRESENTATIVENESS UNDER ITALIAN LAW

ITALY

Introduction

The Constitutional Court's long-standing involvement in Italian industrial relations has marked a new development in the rules governing access to trade union rights at company level with ruling no. 156 of 30 October 2025. This ruling has once again reshaped the conditions under which trade unions may set up company-level bodies known as rappresentanze sindacali aziendali ("RSAs") pursuant to Article 19 of Law No. 300/1970.

Why is this ruling so significant for our industrial relations? Under Italian law, RSAs represent the main gateway through which trade unions can exercise their rights, including appointing representatives and engaging in company-level collective bargaining. When a union lacks an effective presence within a company, access to RSA status is often the only way to operate at the workplace level. In fact, Section III of Law No. 300/1970 grants RSAs specific rights, such as holding meetings during working hours, accessing notice boards for communication, using company facilities for union activities, and being entitled to paid leave, making union action much easier.

This issue has become increasingly relevant in the current Italian context, where union membership has been declining while and anti-union claims have been rising. In this scenario, clarifying which trade unions are entitled to RSA rights is essential for determining who can participate in collective negotiations.

But was the Court's ruling up to this task?

The Italian legal framework and the 2013 turning point

Article 19 of Law no. 300/1970 originally allowed RSAs to be set up only by unions affiliated with organisations deemed "most representative at national level". At the time, this reflected the post-war Italian model of industrial relations, in which a small number of large union organisations (CGIL, CISL and UIL) dominated national bargaining and were considered the sole counterparts of Italian employers.

Over the following two decades, Italian trade union pluralism flourished, and this model was widely criticised for excluding smaller or emerging unions.

These tensions led to a national referendum in 1995, in which Article 19 was partially repealed, and the above criterion replaced with a new

ITALY

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requirement: RSAs could be set up by trade unions that were signatories to collective bargaining agreements applied within the company. In other words, access to most trade union rights was linked to a union's formal contribution in collective bargaining at company or sectoral level, regardless of its overall representativeness. The purpose of the 1995 referendum was to promote workplace participation by valuing unions' concrete engagement in bargaining at company or sector level over the affiliation with large national confederations.

This balance lasted until decision no. 231/2013, which reacted to new concerns arising from few employers using the signature control to exclude dissenting unions from RSAs recognition. As a result, the Court shifted the requirement to set up an RSA from the formal act of signing a collective agreement to actual participation in negotiations, thereby including unions that had contributed substantively to the process but, for reasons unrelated to their actual representativeness, did not sign the final collective agreement. Even this approach did not fully resolve the issue: is the mere participation in negotiations, regardless of the union's size or support among employees, sufficient to justify the establishment of an RSA?

Ruling no. 156/2025: the return of national representativeness

Over time, even the approach adopted in 2013 revealed significant weaknesses enabling employers to favour unions that were not genuinely representative - sometimes even unions created or supported by the employer.

Against this background, the Italian Constitutional Court intervened once again with ruling no. 156/2025, introducing a new reference criterion: national comparative representativeness.

The Court ruled that Article 19 does not comply with the Constitutional Chart as it allows access to RSA rights based solely on participation in negotiations.

The Court also ruled that RSA rights should be granted to unions that are demonstrably more representative at the national level, even if they did not sign or participate in company-level bargaining. In other words, if a union is among the most representative at the national level, it has the right to appoint its RSAs even if it has never participated (or tried to participate) in the negotiation of a collective agreement applied in the company.

Critical Issues and open questions

While ruling no. 156/2025 seeks to restore coherence to the system governing access to RSA rights, it also gives rise to a number of unresolved issues.

First, the Italian legal system still lacks a formal and certified mechanism for measuring trade union representativeness at national level. In the absence of legislative intervention, employers and courts will be required to rely on indirect and potentially inconsistent indicators (such as membership data, bargaining coverage, electoral results in workplace bodies, or historical presence) thereby increasing the risk of anti-union claim.

Second, as a result of ruling no. 156/2025, it is now possible for a union that has never played any role at the company level to gain rights it previously could not have claimed. This change will have a particular impact on companies that do not apply any national collective bargaining agreement. In many industries, this issue will be less pronounced since most companies adhere to a collective bargaining agreement. However, in sectors where it is common practice not to apply any collective agreement, even unions with little or no actual presence or bargaining power within the company will now be able appoint representatives who enjoy all the union rights according to Law no. 300/1970.

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KEY DEVELOPMENTS AND OUTLOOK IN LUXEMBOURG EMPLOYMENT LAW (2025–2026)

LUXEMBOURG

Luxembourg's employment law is constantly evolving in response to both national initiatives and European Union legislation.

The reforms introduced in 2025 have created a more flexible, transparent, and protective legal framework, paving the way for further changes in 2026.

The following overview highlights the most notable changes and upcoming trends for 2026.

Key developments in 2025

- **Minimum wage increase and salary indexation:** effective 1 January 2025, the minimum social wage was increased. Additionally, a wage indexation of 2.5% was implemented as of 1 May 2025, raising the index rate to 968.04 points (up from 944.43 points).

- **Transposition of the EU Mobility Directive:** by Law of 25 March 2025, Luxembourg transposed the EU Directive 2019/2121 (the "EU Mobility Directive") into national law. This directive establishes a harmonised legal framework for cross-border conversions, mergers, and divisions, enhancing company mobility within the EU and strengthening protections for stakeholders, employees, and creditors.

- **Predictive employment and skills management programme:** the Law of 19 June 2025 introduced a predictive employment and skills management framework into the Labour Code. This initiative supports companies and employees facing major structural changes (such as technological, environmental, regulatory, or societal shifts) through requalification and upskilling. The law defines eligibility criteria, the approval process, the role of accredited consultants, and provides financial support for training.

- **Pay Transparency Directive:** Luxembourg is preparing to implement Directive (EU) 2023/970 (the "EU Pay Transparency Directive"), with a draft bill expected by the end of 2025. The forthcoming law aims to reinforce the principle of work of equal value between men and women, introducing pay transparency and enforcement mechanisms for employers.

LUXEMBOURG

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Outlook for 2026

- **New salary indexation anticipated:** an additional salary indexation is expected, which will adjust wages in line with inflation and cost-of-living increases.

- **Pension regime reform:** Bill 8634, submitted to Luxembourg's Chamber of Deputies in October 2025, introduces key reforms aimed at ensuring the long-term sustainability of the pension system. The proposed measures include maintaining the retirement age at 65, gradually increasing the required insurance periods by 8 months by 2030, raising the overall contribution rate to 25.5% from 2026 to 2032, introducing a progressive pension scheme, and making the recognition up to 9 years of non-remunerated study and vocational training periods count towards pension insurance. A progressive pension option will allow part-time work during early retirement, subject to employer agreement. The Bill is designed to address rising pension costs and encourage later retirement, marking the beginning of the legislative process during which these proposals may still evolve.

- **Right to disconnect sanctions:** the Law of 28 June 2023 introduced the right to disconnect into the Labour Code, requiring employers to adopt suitable measures so that employees are not expected to engage in work-related communications outside of working hours. Although the law entered into force in June 2023, sanctions for non-compliance will apply as of 4 July 2026.

- **Implementation of EU Directives:** Luxembourg must transpose several key EU directives by 2026, including:
  - EU Directive 2024/1233 on work and residence permits for third-country nationals, by 21 May 2026, establishing a simplified single permit procedure covering both residence and employment rights.
  - EU Directive 2023/970 on pay transparency, by 7 June 2026.
  - EU Directive 2024/2831 on improving working conditions in platform work by 2 December 2026.

In conclusion, the recent and forthcoming changes in Luxembourg's employment law, ranging from pension reform and pay transparency to the right to disconnect and salary indexation, mark a significant shift in the legal landscape.

These measures will require both employers and employees to adapt to new compliance obligations and workplace standards, signalling a period of adjustment as the country moves to address evolving labour market needs in line with European requirements.

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AI AND THE ROLE OF THE DUTCH WORKS COUNCIL

NETHERLANDS

The rise of Artificial Intelligence (AI) can no longer be ignored. Many workplaces are about to undergo a technological revolution. Companies are increasingly using AI to optimize processes, support decision-making, or even take over tasks from employees entirely. Examples include supporting recruitment processes, assessing employees, and predicting absenteeism. AI can offer many advantages for employers, but are there also downsides? What does the introduction of AI mean for employees? Is AI fair and equitable? And who will be checking AI implementations?

That is precisely why it is important for employee representation bodies and Works Councils to take an active role in the introduction and further use of AI. Not only because of the interests of employees, but also because Dutch law explicitly provides the Works Council with tools to influence these important developments.

Dutch Works Council Act

Unlike countries outside the Netherlands, the Works Council has various legal powers in the context of the right to render advice and the right of consent. Without going into too much detail in this newsletter about all the legal rights on the basis of the Dutch Works Council Act (WCA), I note the following. In the Netherlands, the Works Council has the right to render advice on intended decisions relating to important financial, economic, and organizational matters. In addition, the Works Council has the right of consent with regard to intended decisions concerning the company's social policy. Furthermore, the Works Council has the right to bring such cases to court.

Works Council rights

With regard to AI developments, the right to render advice can be considered in cases where a company decides to introduce AI systems (Article 25(1)(k) of the WCA), provided that this can be regarded as the introduction of an important technological facility. In addition, the purchase of AI systems may involve a significant investment for the company (Article 25(1)(h) of the WCA), which also includes the Works Council's right to render advice. AI can also influence work activities and even entail a major change to organization of the company (Article 25(1)(e) of the WCA.

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Finally, AI and everything related to it is not straightforward, so if the company engages an external expert on this subject and the possible implementation of an AI system, this could also fall under the Works Council's right to render advice (Article 25(1)(n) of the WCA).

In addition, there could be a right of consent under Article 27 of the WCA. This could include a change in the regulations governing appointment, dismissal, or promotion policy or staff appraisals by AI (Article 27(1)(e) and (g) of the WCA). Furthermore, such AI systems may also affect the regulations governing the processing of privacy-sensitive data or the observation or monitoring of employees, for which there is also a right of consent (Article 27(1)(k) and (l) of the WCA).

There are, therefore, various points of reference in the Dutch Works Council Act for the Works Council to become involved in the implementation of AI within a company. But that knowledge alone is not enough. What, for example, should the Works Council consider when exercising its right to render advice or consent?

The average Works Council member, like me, will not be an AI specialist, but should be aware of the complex AI software that is not always transparent when decisions are made. It is, therefore, important that the Works Council remains sufficiently critical on this point when, for example, it writes its advice. How exactly does the system work? What data is collected? Are there risks of bias or discrimination? Has a Data Protection Impact Assessment carried out? These are all questions the Works Council can, or perhaps should, ask when the company submits an intended decision to the Works Council or when the Works Council becomes aware of any AI implementation. In my opinion, it is, therefore, not unrealistic if the Works Council (also) seeks advice from its own AI expert.

In addition, the Works Council also functions as one of the voices of the employees. That is why the Works Council can also pay attention to the (un)ethical side of AI. AI can contribute to efficiency, but it can also have all kinds of implications on a human level. Think of job losses or the declining human involvement of the assessment process. By drawing attention to these points, the Works Council can ensure that AI is used in a responsible manner.

Finally, it is important that the Works Council remains involved after implementation. AI systems are subject to such rapid developments and updates that the Works Council may consider making agreements for the future to continue to exercise employee participation in relation to the systems already in use.

AI is here to stay, and also the Works Council's involvement

AI within companies is no longer a vision of the future, but today's reality. This requires a Works Council that is well informed about the possibilities and potential risks of AI. But above all, a Works Council that is not afraid to ask critical questions.

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WORK–LIFE BALANCE IN LIGHT OF THE THE POLISH LABOUR CODE: ANALYSIS OF REGULATIONS SUPPORTING FLEXIBLE FORMS OF EMPLOYMENT

POLAND

Work–life balance is becoming an increasingly important element of the modern labour market, attracting the attention of both employees and employers alike. Employers are more and more inclined to shape the workplace in a way that responds to employees' professional needs while at the same time supporting them in reconciling their professional and private lives.

In this article, we take a closer look at the most popular legal solutions in Poland that may be applied to employees, particularly in the context of flexible forms of employment and measures to support a healthy work-life balance.

Remote work

As of 2023, regulations on remote work have been permanently incorporated into the Polish Labour Code. Under these provisions, work may be performed wholly or partly outside the employer's office, in a location indicated by the employee and each time agreed with the employer. This means that the legislator allows for both fully remote and hybrid models of work, enabling employees to combine working from home with presence in the office, depending on the needs of both parties to the employment relationship.

Most importantly, remote work does not have to be specified in the employment contract from the outset. It may be agreed either at the stage of concluding the employment contract or during the course of employment, which increases the ability to respond flexibly to changes in an employee's personal circumstances or the employer's organisational needs. In exceptional situations such as a epidemic state, an epidemiological emergency, or unforeseen events that make it temporarily impossible to ensure safe and healthy working conditions at the usual workplace (e.g. a fire or flooding of the premises) the employer may unilaterally instruct the employee to work remotely.

These regulations demonstrate that remote work is no longer an exceptional privilege or a temporary solution reserved for extraordinary circumstances, but rather a fully-fledged tool for flexible management of working time and place. For employees, it means a better balance between professional and private life. For employers, it offers an opportunity to better adapt

POLAND

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work organisation to the realities of the modern world, shaped by digitalisation and global communication.

Occasional remote work

Occasional remote work is a flexible form of remote work available to every employee, allowing work to be performed outside the office for up to 24 days in a calendar year. The limit of 24 days is fixed and applies regardless of the employee's working time or full-time/part-time status.

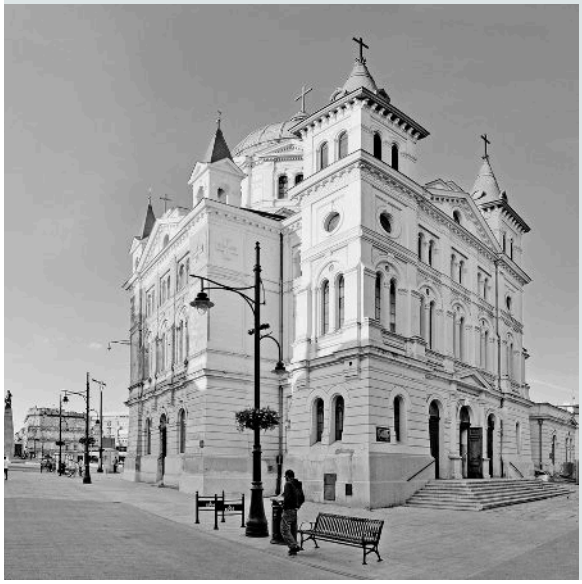
Flexible working hours

Flexible working hours are one of the most sought-after methods of organising working time among employees. Under the Polish Labour Code, flexible working time may provide for:

- different start times on particular working days as set out in the schedule (e.g. Monday – 10:00 a.m., Tuesday – 9:00 a.m., Wednesday – 10:00 a.m., etc.), or
- a time window within which the employee independently decides when to start work on a given working day (e.g. starting work between 7:00 a.m. and 10:00 a.m., with finishing times between 3:00 p.m. and 6:00 p.m.).

The second option is by far the most popular solution in practice. In this model, the employer sets a time range most often between one and three hours, for example from 7:00 a.m. to 10:00 a.m. within which the employee chooses their starting time. This is considered the most attractive and employee-friendly formula.

The employee finishes work once they have completed the number of hours resulting from their applicable daily working time standard (e.g. eight hours in the case of full-time employment). As a result, the employee can finish work at different times on different days of the week, which significantly increases flexibility in balancing professional and private responsibilities.



Split-shift work (discontinuous working hours)

Polish labour law also provides for a special working time system known as the split-shift or discontinuous working hours system. In this arrangement, a workday includes a break of up to 5 hours. Such a system can be introduced if justified by the nature of the work or its organisation.

Under this system, work is performed according to a pre-established schedule allowing no more than one break per day, which may last up to 5 hours. This break is not counted as working time, however, the employee is entitled to remuneration equal to half of the pay they would receive for downtime.

This system allows greater flexibility in scheduling work while accommodating operational needs that require extended breaks within the workday.

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MOBBING WITHIN THE POLISH LABOUR LAW AND PLANNED CHANGES

POLAND

Introduction – mobbing – current legal status

According to Article 94^3 of the Labour Code, mobbing currently means actions or behaviors concerning an employee or directed against them, which consist of persistent and long-term harassment or intimidation. Mobbing occurs when these actions or behaviors cause the employee to be underestimated in terms of their professional suitability, cause or aim to humiliate or ridicule them, as well as isolate or eliminate them from the team of colleagues. The actions or behaviors of the perpetrator must not be a one-off.

Employer's obligations

The employer has an obligation to counteract mobbing, but these obligations are formulated in general terms. It is considered that the employer should react to undesirable behavior in the company and take appropriate countermeasures.

Rights and claims of victims of mobbing

Labour law provides for two types of claims for victims of mobbing, which an employee can pursue in court proceedings: compensation for mobbing or damages for mobbing.

An employee whose health has been impaired as a result of mobbing can claim an appropriate amount of monetary compensation from their employer for the harm suffered. The condition is that they must prove that their health has been impaired as a result of mobbing.

An employee who has been mobbed or who has terminated their employment contract as a result of mobbing has the **right to claim compensation from their employer in an amount not lower than the minimum wage.**

If, due to mobbing, an employee terminates their employment contract without notice, they may claim compensation from their employer both for mobbing and for termination of the contract in connection with the employer's serious breach of their basic obligations towards the employee.

New definition of mobbing – draft amendments

At the end of November 2025, a draft amendment

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was prepared by the Ministry of Family, Labor, and Social Policy. The adopted draft introduces a revised definition of mobbing as persistent harassment, which may be physical, verbal, or nonverbal. Furthermore, one-off incidents will not be classified as mobbing. The actions must be repetitive, constant, or recurring. The draft removes the requirement to prove the perpetrator's intent. Also new regulations would be the setting of **the minimum amount of compensation at 12 times the minimum wage.**

Exclusion of employer liability

The employer is not liable for mobbing actions of colleagues or subordinates if they can prove that they have taken effective preventive measures. In the event of payment of benefits, the employer may seek reimbursement from the perpetrator.

Mandatory anti-mobbing procedures

According to the draft, the new rules would require employers to include in work regulations or, in the case of companies without such regulations, in the employer's notice, anti-harassment and anti-discrimination policies, a description of the procedures, an indication of the frequency of preventive measures and applicable rules to protect the dignity of employees.

Summary

In summary, the changes proposed by the Ministry of Family, Labor, and Social Policy would not only clarify the definition of mobbing, but also more clearly define the obligations of employers to counteract mobbing behavior, detecting and removing the effects of such behavior, which is intended to protect employees, but also to allow employers to protect themselves from the potential risks and costs that could arise in the event of mobbing in companies perpetrated by employees. Furthermore, from the employees' perspective, an important change in the event of the adoption and entry into force of the new regulations would be the setting of the minimum amount of compensation at 12 times the minimum wage.

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UK EMPLOYMENT RIGHTS ACT 2025: KEY CHANGES FOR GLOBAL EMPLOYERS IN 2026

UNITED KINGDOM

The UK has introduced the Employment Rights Act 2025, representing the most significant update to workplace laws in a generation. Royal Assent was granted on 18 December 2025, and the changes will be introduced gradually throughout 2026 and 2027. Below is an overview of the key reforms taking effect during the first half of 2026.

- **Statutory Sick Pay (SSP)**

From April 2026, SSP will be payable from the first day of sickness, removing the current three-day waiting period. The SSP rate will be £123.25 per week (from April 2026) or 80% of normal weekly earnings, whichever is lower. The "lower earnings" limit will be removed, ensuring SSP applies to all employees (including the lowest paid employees).

- **Day one family leave rights**

Starting in April 2026, new parents will be entitled to two weeks of statutory paid paternity leave from their first day of employment. All parents will also have the right to take up to 18 weeks of unpaid parental leave until their child turns 18.

- **Sexual harassment**

From April 2026, disclosures of sexual harassment will qualify for whistleblowing protection. Later in 2026, employers will also have a legal duty to take "all reasonable steps" to prevent harassment by third parties.

- **Unfair dismissal**

The UK government originally proposed that unfair dismissal would be a day 1 right for any employee. When being debated by the Houses of Parliament, it attracted criticism from many employer representatives and business groups.

Instead, the qualifying period will be reduced from two years to six months. Additionally, the current cap on unfair dismissal compensation (currently £118,223) will be removed, making awards unlimited, similar to discrimination and whistleblowing claims.

Although these changes take effect from 1 January 2027, they will apply retrospectively to employees with at least six months' service. Employers should plan ahead from July 2026 to ensure compliance.

- **Collective redundancy – protective award**

The penalty for failing to consult collectively when proposing 20 or more redundancies will double from

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90 to 180 days' pay per affected employee from April 2026. This also applies to dismissals and re-engagement exercises intended to change contractual terms.

- **Fair Work Agency**

The Fair Work Agency will be established in April 2026 to enforce compliance with minimum wage, holiday pay, and SSP obligations. Its enforcement powers will be introduced later.

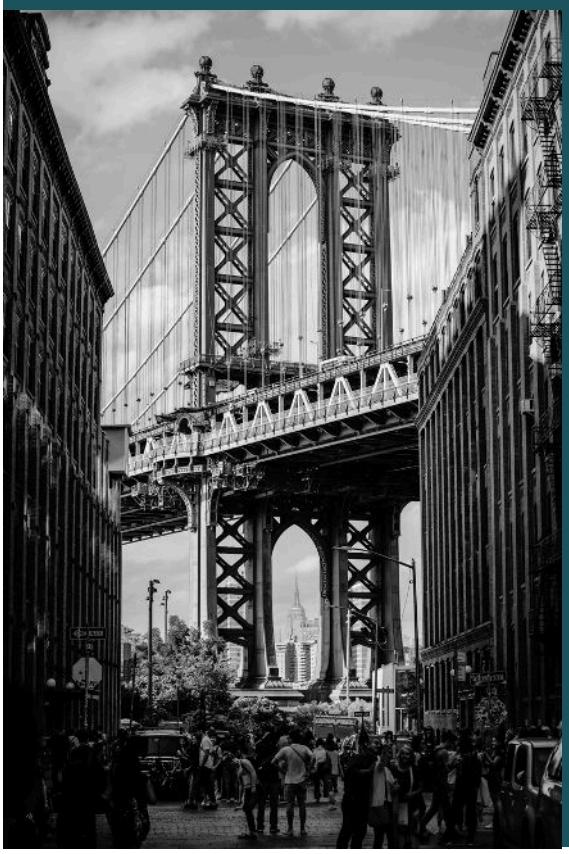
- **Other**

April 2026 will also bring changes relating to industrial action and trade unions. Further measures will follow later in 2026, including enhanced harassment protections, restrictions on "fire and rehire" practices, and extended time limits for employment tribunal claims. In 2027, reforms will include the unfair dismissal changes noted above and new protections for zero-hours workers.

Recommended Actions for Employers

To prepare for these changes, employers should:

- Update policies and contracts to reflect new rules on statutory sick pay, family leave, and harassment protections.
- Train managers on handling complaints, whistleblowing disclosures, and managing short-term absences, and assess risks of third-party harassment.
- Review dismissal processes and consider implementing shorter probationary periods ahead of the reduced qualifying period for unfair dismissal.
- Ensure compliance with collective consultation requirements to avoid increased penalties for redundancy or contractual changes.
- Monitor developments regarding the Fair Work Agency and upcoming enforcement powers.



- Plan ahead for 2027 reforms, including unlimited compensation for unfair dismissal and protections for zero-hours workers.

Summary

The Employment Rights Act 2025 introduces sweeping changes to UK employment law. Most reforms will begin in April 2026, with further changes in late 2026 and in 2027. International employers with a UK entity or employing individuals in the UK should act now to review policies, train managers, and prepare for enhanced enforcement.

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