

Good Work: the Taylor Review of Modern Employment Practices

Consultation on agency workers recommendations

Response from: ManpowerGroup

1. That the government should repeal the legislation that allows agency workers to opt out of equal pay entitlements (the Swedish Derogation)

Extending the enforcement of the Agency Worker Regulations 2010 to the Employment Agency Standards Inspectorate

ManpowerGroup Comment/response: anecdotal evidence was presented to Matthew Taylor during his review suggesting there may be abuse of these pay between assignments (PBA) contracts.

ManpowerGroup's use of such contracts is limited – their withdrawal would have a limited impact on our business. However, we caution against a rush to judgment that the legislation is not working without a full and impartial review of how this legislation is being used and its effectiveness.

We recommend that a review is held to identify where the legislation is not working, the scale of the issue and why it is not working.

If there is evidence that there is abuse of such contracts then there should be consultation on future options. There should be a proper attempt to make the legislation work or determine how to improve this. If the result of a full review determines that the legislation is not working and it is not possible to address this, then the legislation should be repealed. We suggest that the CBI and TUC – who worked together to originally introduce this - should look at this further.

If the legislation is to be removed then we recommend that any changes need to be planned for with care and any changes should not add undue extra administration to an employment agency that is making these changes. We would like to understand further how this process is managed and employment agencies should have the opportunity to share their views on how to make this transition process work to the benefit of all parties.

We do not agree that the enforcement of the Agency Worker Regulations 2010 should come under the remit of the Employment Agency Standards Inspectorate (EASI). We are not aware of widespread non-compliance with AWR that would require the extension of EASI's role. Whilst we support the extension of the EASI remit to include intermediaries such as umbrella companies, this will in itself require significant additional resource. Extending the remit of EASI to also include AWR creates concerns about resource and how effective this would be.

2. Key facts document - the provision of a key facts document to provide information relating to rates of pay and those responsible for paying the individual

Should an employment business be required to ensure that the work seeker understands fully the information being given to them?

ManpowerGroup Comment/response: We support the principle that it is important that individuals have access to the necessary and correct information when considering employment options and that a key facts document could be developed to assist individuals.

We have concerns that a key facts document would present extra work and cost for the employment agency to compile/set up in an industry that is already seeing increased cost and bureaucracy. We would want these costs to be minimised and would suggest that there could be one set of key facts information that could be provided online.

We are concerned that the range of information presented to the work seeker could be confusing. For example, the detail of how an individual would be paid depends on the individual assignment and whether it is the employment business or another body such as an umbrella company who may be paying the individual; whether an individual is looking for temporary or permanent work. Any key facts document would need to be general in its scope and clear in its language. Either the government or the REC trade body could provide this template/guidance.

Whilst an employment agency can provide key facts information, it is totally impractical for the agency to have responsibility to demonstrate that the work seeker understands the information given to them. Determining whether someone has understood the document is subjective, difficult to manage, potentially very time consuming and beyond the scope of what an employment agency could deliver. We strongly object to this proposal.

3. Extending the remit of the Employment Agency Standards Inspectorate to cover umbrella companies and intermediaries in the supply chain

ManpowerGroup Comment/response: We support the extension of the remit of EASI to cover umbrella companies and intermediaries in the supply chain. These wider intermediaries may not be traditional employment businesses, but their activity means that they are in fact acting as employment agencies/businesses and would therefore meet the definition of such.