

Final stage impact assessment

Title: Repeal of the Strikes (Minimum Services Levels) Act 2023

Type of measure: Primary Legislation

Department or agency: Department for Business and Trade

IA number: DBT-027-24-CMRR

RPC reference number: ...

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1. Summary of proposal

1. As part of a broader set of Trade Union legislation reforms, and the Government's Make Work Pay plan which sets out strengthening workers' 'voice at work', there is a commitment from the Government to repeal the Strikes (Minimum Service Levels) Act 2023 to remove restrictions on the right to strike and to improve industrial relations by giving trade unions the freedom to organise, represent and negotiate on behalf of their workers. Specifically, this would remove the power to set minimum service levels in specific sectors during strike action through regulations.

2. Strategic case for proposed regulation

What is the problem under consideration?

2. The Government elected in 2019 included in its manifesto a commitment to introduce minimum service levels in rail. Subsequently, significant supply side driven inflation caused increasing cost of living pressures from 2021. Declining real wages in health, education and other public services, combined with other ongoing workplace issues, led to an unprecedented rise in industrial unrest (including strikes) in these sectors. This rise in strike action in public services led to the then Government expanding its approach beyond the transport sector and introducing the Strikes (Minimum Service Levels) Act 2023 ('the 2023 Act'). The 2023 Act was intended to reduce the impact of strike action on these services by enabling employers to specify the workforce required to meet the minimum service levels set out in regulations. The minimum service levels (MSLs) themselves could be applied to specific services, via secondary legislation by the Government, following consultation. Six sectors¹ were included in the 2023 Act, broadly the same set of services listed as important public services in the 2016 Trade Union Act. Strike action in these sectors were considered to cause the greatest disruption to the activity of individuals and businesses not involved in the dispute. However, since secondary regulations have been introduced in four of the six areas (ambulance, fire and rescue, passenger rail and border security), no employer has issued a work notice requiring a minimum level of service on a strike day. Some employers raised concerns about the applicability of the legislation and the potential negative impact on employer/worker relations if minimum service levels are used during strike action².
3. Repealing the 2023 Act will remove restrictions on trade union activity in these sectors (and the threat to bargaining power) and help mitigate against a further deterioration in industrial relations. Potentially, along with other factors, the repeal could contribute to moving industrial relations towards good faith negotiation and bargaining, potentially helping resolve industrial disputes and help minimise the disruption of strike action on the wider economy.
4. It is worth noting that during strikes in health and fire and rescue services for instance, unions and employers can agree voluntary arrangements to ensure that urgent and emergency cover is provided. This is to ensure that strike action will not put individuals at serious risk of loss of life. Indeed, Section 240 of the Trade Union and Labour Relations (Consolidation) Act 1992 sets out that it is a criminal offence for someone to wilfully and maliciously break a contract of service, for instance by taking industrial action, which they know will endanger life or cause serious bodily injury. This was in place before the 2023 Act and will remain the case when the Act is repealed.

What evidence is there to support the problem statement?

¹ Relevant sectors include fire and rescue services, education services, transport services, decommissioning of nuclear installations and management of radioactive waste and spent fuel and border security.

² [DHSC Minimum Service Levels Consultation](#), 2023

5. The productivity and pay position has contributed to worsening industrial relations. Workers in the public sector undertook more industrial action in 2022 and 2023 than they had for over 30 years against the backdrop of the fall in living standards due to the ‘cost-of-living crisis’. Strikes can lead to significant economic losses, particularly in industries critical to public services, such as healthcare or transport. Businesses face delays, reduced productivity, and increased operational costs, while public inconvenience can erode consumer confidence and spending. Some published estimates giving an illustration of the potential wider cost of public service strikes are detailed in the evidence section of this IA.
6. Despite this, MSLs have not been implemented since they were introduced in 2023, due to concerns surrounding worsening industrial relations and the complexity of implementing an MSL, as reported by stakeholders³.

Why is Government intervention necessary?

7. Without repealing the 2023 Act employers could be said to have an unfair advantage in the negotiation of workers terms and conditions, an example of a market failure. The 2023 Act along with other legislation such as the Trade Union Act 2016 and the repeal of Regulation 7 of the Conduct Regulations 2003 (which enabled employers to use agency workers to replace striking workers, and since overturned by the court), reduced the collective voice and hence bargaining power of workers to challenge employers on wages, skills development and job security. This added to the barriers to change in these areas and contributed to the imbalance of power between workers and employers. The weakening of worker voice, combined with underlying problems in working conditions in these services, ran the risk of worsening industrial relations further – potentially leading to more prolonged industrial action and worse economic impacts.
8. The Government believes strong collective bargaining rights and institutions are key to tackling the problems of insecurity, inequality, discrimination, enforcement and low pay. Repealing the 2023 Act, alongside other reforms, will remove unnecessary restrictions on trade union activity. The Government wants to ensure industrial relations are based around good faith negotiation and bargaining.

What are the potential risks of non-intervention?

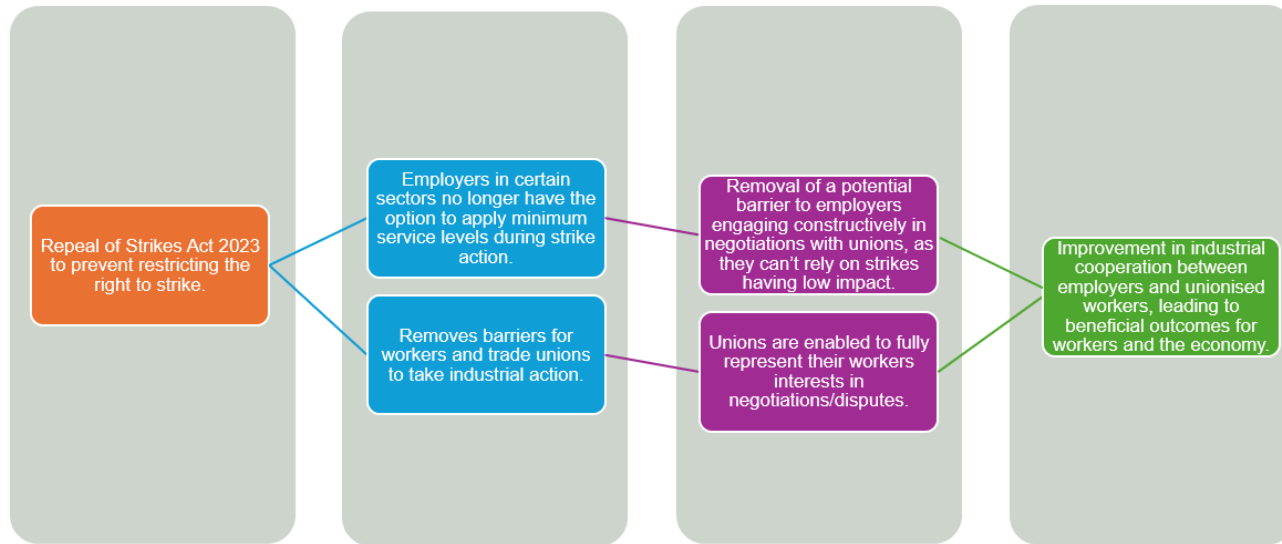
9. The risk of Government not intervening is that workers’ collective voice remains weakened, which runs the risk of worsening industrial relations and workplace conditions further – potentially leading to more prolonged industrial action and/or a decline in service performance, negatively affecting the wider economy.
10. Another possible unintended consequence of the Strikes Act is that it could lead to greater use of other forms of industrial action, such as action short of a strike.

³ Further detail in paragraphs 36 and 37.

3. SMART objectives for intervention

11. The preferred policy option is the repeal of the 2023 Act. This involves the following:
 - a. The removal of powers granted to Secretaries of State allowing them to implement MSLs via regulations for key sectors. This will in effect repeal the existing secondary regulations for MSLs.
12. The preferred option meets the Government growth objective by reducing barriers to collective worker voice. Removing minimum service levels will reduce the red tape on trade unions thereby reducing barriers to unions carrying out strike action. Although MSLs have not been used, they have the potential to reduce the impact of strike action on those services. The repeal of the 2023 Act therefore removes a barrier to unions in these services being able to negotiate effectively for their members. It also weakens a potential alternative to constructive negotiation for employers by using MSLs to limit the impact of strike action. Along with other trade union reforms, the repeal of the Act will help to rebalance the power of employers and workers and improve the bargaining position of workers and their trade unions, ultimately helping to improve terms and conditions of workers. The intention is to increase cooperation between employers, Government and unions, and reduce the amount of industrial action, therefore reducing the negative externalities affecting the rest of the economy resulting from industrial action.
13. The intended outcomes of the option are:
 - Increased cooperation between employers and unionised workers, leading to beneficial outcomes for the economy.
 - Enhancing the ability of trade unions to negotiate on behalf of their workers.
14. Achieving these objectives can be expected to contribute to the wider objectives that were set out in the Government's Plan to *Make Work Pay*. The department is keen to monitor the impact of these changes. The ways in which this will be done are detailed in the monitoring and evaluation section (section 8).
15. The logical change model for the repeal of the 2023 Act is as follows:

Figure 1: Logic model of the Repeal of Strikes Act 2023



5. Summary of long-list and alternatives

16. As this is a manifesto commitment, a long-list of policy options was not developed for this IA. However, consideration was still given to non-regulatory options and the inclusion of small and micro businesses.
17. In addition, alternatives to a full repeal of the 2023 Act would not have been sufficient to achieve the Government's objective of restoring power to unions, as they would still impose constraints on collective bargaining and limit unions' ability to exert meaningful influence during industrial action.

6. Shortlisted policy options

18. This impact assessment focuses on a limited number of options, given that the Government's manifesto sets a clear direction of travel. The options assessed in this impact assessment are:

Option 0: Do nothing

19. This option would allow MSLs to continue to be applied for services within key sectors across Great Britain. These include health services, fire and rescue services, education services, transport services, decommissioning of nuclear installations and management of radioactive waste and spent fuel, and border security.
20. The 2023 Act received Royal Assent in July 2023. Subsequently, secondary legislation was introduced setting out minimum service levels during strikes for passenger rail services, fire and rescue services, border security services and NHS ambulance services and NHS patient transport services. The repeal of the 2023 Act, and with it the associated secondary legislation will effectively return the law to the situation prior to the passing of the Act and its associated regulations.
21. Since the introduction of the Strikes (MSLs) Act 2023, no work notices have been given by employers, so there has been no rise in service levels compared to when the regulations were not in place, and consequently, any potential benefits or costs outlined in the relevant impact assessments have not been realised.
22. Although no employer has used MSLs to date, while the Act remains in place, the ability of employers to require their workers to meet minimum service levels on a day of strike action remains. This negatively impacts the freedom of unions to organise, represent and negotiate terms and conditions on behalf of their workers. Primarily, it is aimed at limiting the impact of strike action in the services covered, which impacts on the effectiveness of collective worker action when in dispute with the employer. This strengthens the employer's hand when negotiating terms and conditions with workers, and when faced with collective workplace disputes. As a result, this increases the potential for employers not to engage in good-faith cooperative negotiation with workers to resolve disputes, and could lead to greater use of other forms of industrial action short of a strike as mentioned previously.
23. This do-nothing option would not deliver the desired policy objective.

Option 1 (preferred option): Repeal the Strikes (Minimum Service Levels) 2023 Act to remove the power to implement MSLs via regulations for key sectors.

24. This option would mean that employers would not be able to require individuals to work to meet a minimum level of service on strike days. Instead, the individuals will be able to choose if they want to participate in the strike action.
25. The level of service provided on strike days would depend on the extent to which workers are absent and the disruption caused to the employer's ability to provide a service. This would primarily be determined by the willingness of workers involved in the dispute to take strike action on the days specified as well as any voluntary agreements in place between the workers and the employer.

7. Regulatory scorecard for preferred option

Part A: Overall and stakeholder impacts

(1) Overall impacts on total welfare		Directional rating
		Note: Below are examples only
Description of overall expected impact	<p>There could be an overall cost to employers of output lost from strike action being more disruptive (although this is uncertain as so far, no employer has given a work notice).</p> <p>Workers in dispute may benefit from being able to win better settlements by having increased bargaining power.</p> <p>Potentially, improving the balance of power between employers and unionised workers might lead to more cooperative industrial relations, reducing disputes and industrial action.</p>	Positive if this leads to an improvement in industrial relations
Monetised impacts	Total NPSV of -£0.1m of which all are familiarisation costs.	Negative
Non-monetised impacts	<p>If there are increased strikes, especially in public services, then there are likely to be negative impacts on employers and individuals not involved in the strikes. These may only be short term if the disputes are short.</p> <p>Improved industrial relations between unions and employers, potentially leading to benefits to the wider</p>	Uncertain

	economy resulting from less strike action, and improved terms and conditions for represented workers.	
Any significant or adverse distributional impacts?	Workers may benefit from increased wages if unions are able to negotiate improved terms and conditions as a result of having a stronger negotiating position.	Positive

(2) Expected impacts on businesses

Description of overall business impact	<p>There will be one-off familiarisation costs to businesses and unions.</p> <p>Impacts are uncertain – no work notices have been given and potentially using minimum service levels would not have led to reduced impacts from strikes overall. If disputes are resolved more quickly because of fewer legislative barriers to good faith negotiation there might be benefits to businesses involved and the wider economy.</p> <p>Unions will benefit from increased bargaining power and the ability to achieve better outcomes for the workers they represent.</p>	Uncertain
Monetised impacts	Business NPV of -£0.1m and EANDCB of -£0.1m of which all are familiarisation costs.	Negative

<p>Non-monetised impacts</p>	<p>Non-monetised benefits include:</p> <ul style="list-style-type: none"> • Improved industrial relations between unions and employers, potentially leading to benefits to the wider economy resulting from less strike action, and improved terms and conditions for represented workers. • Increased worker autonomy as workers will have greater freedom to strike or protest as they see fit, which can be a critical tool for negotiating better working conditions, pay, or other rights. <p>These benefits may be at least partially offset by the following costs:</p> <ul style="list-style-type: none"> • Potential loss of output for employers who can no longer apply MSLS. • Potential wider economic disruption resulting from loss of essential services. 	<p>Uncertain</p>
<p>Any significant or adverse distributional impacts?</p>	<p>No. This policy intends to mitigate strike action in key public services, benefiting the economy as a whole and businesses of all sizes, including small and micro businesses.</p>	<p>Neutral</p>

(3) Expected impacts on households

<p>Description of overall</p>	<p>Workers may benefit from improved terms and conditions as a result of unions having a stronger negotiating position.</p>	<p>Positive</p>
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household impact		
Monetised impacts	Impacts on households resulting from less strike action are inherently difficult to monetise robustly, so we have not included an estimate of monetised household costs (EANDCH).	Neutral
Non-monetised impacts	As discussed above, there are potential positive impacts.	Positive
Any significant or adverse distributional impacts?	Since users of public services span the entire population, we determine that the benefits of these measures will be widely distributed without negative equality impacts on protected groups. In cases where certain protected groups are more represented in key public sectors, they may disproportionately benefit from improved labour conditions. This is discussed in more detail in the Public Sector Equality Duty section of this IA.	Neutral

Part B: Impacts on wider Government priorities

Category	Description of impact	Directional rating
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<p>Business environment:</p> <p>Does the measure impact on the ease of doing business in the UK?</p>	<p>There is potential for a positive impact on the general business environment as a result of the repeal. The repeal aims to improve the likelihood of good faith negotiation and bargaining between employers and unionised workers, leading to a reduction in the amount of industrial action. This would have wider benefits to the business environment in the UK resulting from less disruption to key public services.</p> <p>Set against this is the possibility that strikes would lead to further disruption as MSLs that limit impacts would no longer be in place. This is uncertain though as no work notices have been given since the Act has been in place and train operators decided not to use them due to the possibility of worsening industrial relations and operating costs of implementing them.</p>	<p>Uncertain</p>
<p>International Considerations:</p> <p>Does the measure support international trade and investment?</p>	<p>We do not believe that the repeal of powers under the Strikes (Minimum Service Levels) Bill will have any impact on international trade. This is because the Bill's powers are limited to key sectors, and these sectors are not internationally traded⁴. As a result, we do not foresee any effects on the UK's ability to trade or provide services overseas.</p>	<p>Neutral</p>
<p>Natural capital and Decarbonisation:</p> <p>Does the measure support commitments to improve the environment and decarbonise?</p>	<p>We expect that there is no or negligible impact on the environment, natural capital, and decarbonisation as a result of this policy. The regulation does not directly relate to environmental or decarbonisation goals.</p>	<p>Neutral</p>

⁴ “As most physical goods can be shipped fairly easily, manufacturing, agricultural production and resource extraction are considered tradable sectors. Conversely, non-tradable services typically include Governmental services, education, health care, the construction sector and retail.” OECD, [Link](#).

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8. Monitoring and evaluation of preferred option

26. The Government will undertake proportionate monitoring and evaluation of reforms introduced through the Bill. This will enable us to assess whether they are achieving the stated objectives and to inform future policy making. A bespoke approach will be taken towards the monitoring and evaluation plans of each reform as they each have a range of objectives, metrics, stakeholders and external factors which may impact the success of the policy.
27. Given that no work notices have been given since the Act has been in place, it would be difficult to evaluate any differences in industrial action based on the repeal of the Strikes Act. Nevertheless, we will monitor the impact of this policy change through observing existing surveys of businesses and unions, and through discussions with employers and unions in the services covered. In addition, we will continue to monitor the level of industrial action in the industries covered through the ONS Labour Force Survey, union membership and collective agreement coverage.

9. Minimising administrative and compliance costs for preferred option

28. The repeal of the Act (preferred option) does not create new administrative burdens for business and it removes the admin burdens on employers and trade unions of administering work notices. It will return the legal environment to how it was before the introduction of the Act in 2023, so we can assume that businesses will be familiar with this. Therefore, the assumed administrative and compliance costs are minimal. They are one-off familiarisation costs where familiarisation time is minimal. These are outlined in the familiarisation costs sections below.
29. The Government has committed to continuing full and comprehensive engagement and consultation on the implementation of the Plan to Make Work Pay, to ensure that these changes work for businesses of all sizes. The Government will ensure that, where appropriate, guidance is published to ensure all stakeholders have the information required to make necessary adjustments.

Summary: Analysis and evidence

Price base year:

2024

PV base year:

2024

	1. Business as usual (baseline)	2. Repeal Strikes (MSLs) Act 2023
Net present social value (with brief description, including ranges, of individual costs and benefits)	N.A	NPSV of -£0.1m of which all are familiarisation costs.
Public sector financial costs (with brief description, including ranges)	N.A	Possible costs to Government from covering strikes in Border Force which otherwise would have been covered by MSLs.
Significant un-quantified benefits and costs (description, with scale where possible)	Note: Since the introduction of the Strikes (MSLs) Act 2023, no work notices have been given by employers, so there has been no rise in service levels compared to when the regulations were not in place, and any potential benefits or costs outlined in the relevant impact assessments have not been realised. If the regulations were to stay in place, the ability of employers to require their workers to meet minimum service levels on a day of strike action remains. Although based on reasons given by employers (see paragraphs 36 and 37) for not implementing MSLs in the past, we believe this to be unlikely. Un-quantified benefits include:	Un-quantified benefits include: <ul style="list-style-type: none"> Improved industrial relations between unions and employers, potentially leading to benefits to the wider economy resulting from less strike action, and improved terms and conditions for represented workers. Increased worker autonomy as workers will have greater freedom to strike or protest as they see fit, which can be a critical tool for negotiating better working conditions, pay, or other rights.

	<ul style="list-style-type: none"> • Avoided negative impacts of strike action on economic output, leisure expenditure, supply chains and other modes. • Avoided impact on access to work. • Increased revenue to businesses from service operation. <p>These may be partially offset by the following costs:</p> <ul style="list-style-type: none"> • Lost utility for workers from the restricted ability to strike. • Less bargaining power for workers in relation to workplace disputes, which could result in lower pay and working conditions than they might have otherwise achieved. • Administration and operational costs to employers of implementing MSLS. 	<p>These benefits may be at least partially offset by the following costs:</p> <ul style="list-style-type: none"> • Potential loss of output for employers who can no longer apply MSLS. • Potential wider economic disruption resulting from loss of essential services.
<p>Key risks (and risk costs, and optimism bias, where relevant)</p>	<p>A worsening in industrial relations, potentially leading to more strike action and longer disputes.</p>	<p>Disruption to wider economy from not having MSLS in place.</p>
<p>Results of sensitivity analysis</p>	<p>No sensitivity tests undertaken.</p>	<p>No sensitivity tests undertaken.</p>

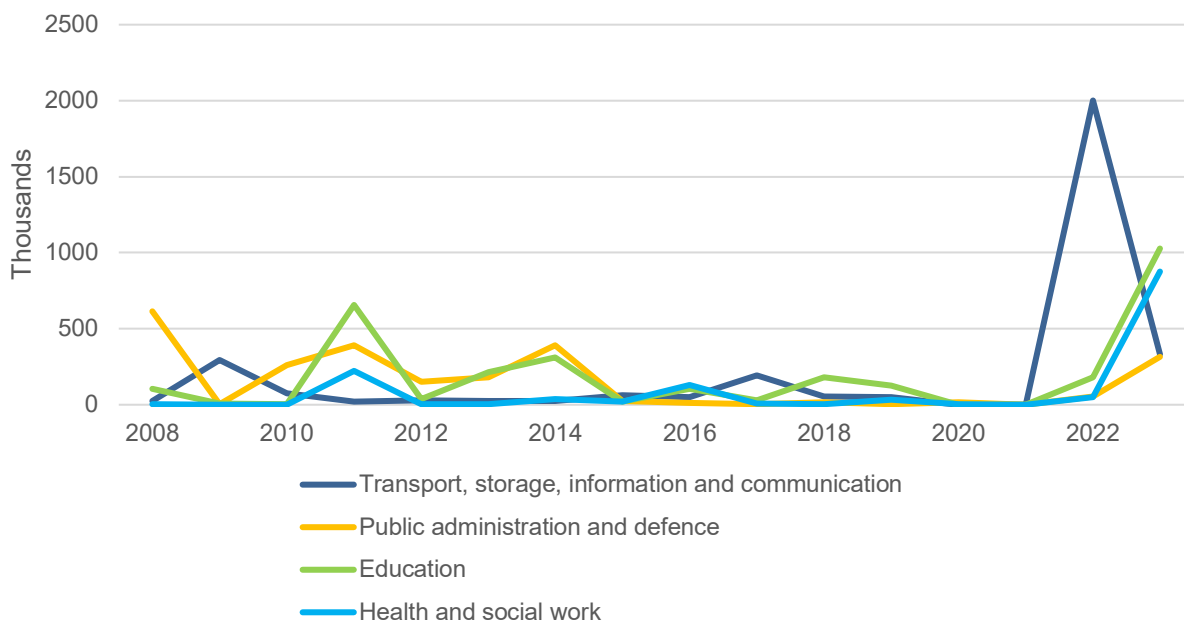
Evidence base

What evidence is there to support the problem statement?

30. The productivity and pay position has contributed to worsening industrial relations. Workers in the public sector undertook more industrial action in 2022 and 2023 than they had for over 30 years, against the backdrop of the fall in living standards due to the ‘cost-of-living crisis’⁵. There is evidence that poor job satisfaction and pay concerns have also contributed to issues with recruitment and retention in some parts of the public sector⁶. Strikes can lead to significant economic losses, particularly in industries critical to public services, such as healthcare or transport. Businesses face delays, reduced productivity, and increased operational costs, while public inconvenience can erode consumer confidence and spending.

31. Some sectors have seen considerably worse pay growth than the average public sector worker. Teachers average real pay in September 2023 was 9% lower than in 2010, while doctors saw pay falls of around 10% across the same period⁷. Although recent pay settlements in the public sector have put an end to much of the strike action that characterised the first half of 2023, the issue of public sector pay has not disappeared.

Figure 2: Working days lost to strike action in public sector industries (2008-2023)



Source: ONS⁸

⁵ [ONS, Labour disputes; working days lost due to strike action; UK \(thousands\), 2024](#)

⁶ For example, [The long, long squeeze on teacher pay | Institute for Fiscal Studies \(ifs.org.uk\)](#); [Relationship between labour force satisfaction, wages and retention within the UK National Health Service: a systematic review of the literature | BMJ Open](#) and [Recent trends in public sector pay | Institute for Fiscal Studies \(ifs.org.uk\)](#).

⁷ [IFS report on Recent trends in public sector pay, 2024.](#)

⁸ [ONS, Labour disputes; working days lost due to strike action; UK \(thousands\), 2024.](#)

32. A report from the National Foundation for Educational Research (NFER) shows that issues of recruitment and retention of teachers don't show signs of abating⁹. According to the NFER, workload is the main reason that teachers leave the profession and data from both the Labour Force Survey (LFS) and Government's Working Lives of Teachers and Leaders (WLTL) survey shows that teachers' working hours significantly increased in 2022/23 compared to the previous year. Working Lives of Teachers and Leaders (WLTL) survey data also suggests that the number of teachers who are considering leaving increased by 44 per cent in 2022/23 compared to the previous year¹⁰. These issues reflect persistent long-term trends in the sector¹¹.
33. The NHS Long Term Workforce Plan¹² states the importance of ensuring that its employment offer is attractive to ensure increased recruitment to meet demand for services, and long-term workforce retention. In the latest NHS Staff Survey, 29.12% of staff said they often think about leaving this organisation, and 21.44% said they will probably look for a job at different organisation in the next 12 months¹³.
34. Recently, there is evidence of improved terms and conditions being agreed following strike action, or the threat of strike action, in key sectors where secondary regulations for minimum service levels had been introduced. These include pay deals in ambulance services¹⁴, rail¹⁵, and fire and rescues¹⁶. There have also been improved deals for nurses¹⁷, doctors¹⁸, teachers¹⁹ and university staff²⁰.

Evidence of Minimum Service Levels being used to limit disruption from strikes

35. As mentioned above, since the introduction of the Strikes Act in 2023, there have been no work notices given by employers. Industries raised concerns about the administrative burden placed on employers to implement MSLs. In the consultation carried out by DHSC on using MSLs in the event of strike action in ambulance services, employers raised concerns about the potential administrative burden of using work notices. Employers estimated that a high number of working hours of entire HR and operational teams would be required to organise work notices and notify employees²¹.
36. There were numerous reasons expressed by train operating companies (TOCs) for choosing not to implement MSLs when they had the opportunity to, including the potential deterioration of industrial relations with unions, and the related impacts of this, such as further strikes or a rise in damaging action short of strike (i.e. overtime bans). Furthermore, TOCs considered that planning and implementing an MSL rail timetable was very operationally challenging under the short timescales provided for in the Strikes (Minimum Service Levels) Act 2023. Health and safety concerns were also raised, such as the potential for overcrowding at stations.

⁹[NFER](#), 2024.

¹⁰[Working lives of teachers and leaders wave 2 summary report](#), 2024.

¹¹[NFER](#), 2024.

¹²[NHS Long Term Workforce Plan](#), 2023.

¹³[NHS Staff Survey](#), 2024.

¹⁴[NHS pay rises](#), 2023.

¹⁵[ASLEF pay offer](#), 2024.

¹⁶[Fire services pay deal agreed](#), 2023.

¹⁷[UK Government announces new NHS pay offer for nursing staff in England | Royal College of Nursing \(rcn.org.uk\)](#)

¹⁸[BMA to put pay offer to junior doctors in England - BMA media centre - BMA](#), 2024.

¹⁹[Teacher strikes in England end as all four unions accept pay deal - BBC News](#), 2023.

²⁰[UCU - Agreement paves way for full restoration of university pension benefits by April](#), 2023.

²¹[DHSC Minimum Service Levels Consultation](#), 2023.

37. Border Force personnel at Heathrow Airport have undertaken a series of strikes in 2024, in a dispute over the modernisation of terms and conditions and rosters. These strikes have been localised, and it has been possible to use internal solutions to manage periods of strike action. Border Force has therefore been able to manage these strikes without using the border security MSL.

International Comparisons

38. Some European countries do have MSLs operating in some public services - primarily health and emergency services. However, in many of the countries the industrial relations framework is often very different from the UK - in many cases there is a formal social partnership framework between employers and unions, often set within a legislative framework. In some countries, such as Belgium and Italy, unions would be involved in negotiating and agreeing any MSL²².

Labour dispute stoppages

39. Over the period 2015 to 2019, there were an annual average of 93 disputes involving strike action, which accounted an annual average of around 253,000 working days lost. Over the five years to 2019, public administration, education, and health and social care accounted for nearly 56% of working days lost, with transport and storage accounting for 30%. Close to 40% of these disputes involving industrial action involved just one day of strike action, with a further fifth involving two days²³.

40. In 2022 and 2023 alone, there were 2.3 million working days lost in transport and storage, 370,000 lost in public administration and defence, 1.2 million lost in education and 927,000 lost in health and social work (Table 1)²⁴. The general economic conditions of high inflation, combined with long-term pay and workplace issues in many public services, are factors leading to this outbreak of strikes.

The cost of strikes

41. Strikes can lead to significant economic losses, particularly in industries critical to public services, such as healthcare or transportation. Businesses face delays, reduced productivity, and increased operational costs, while public inconvenience can erode consumer confidence and spending. It is difficult to precisely measure the wider impacts of strike action on the economy. It will depend on which workers in which industry are on strike, which locations are affected and how easy it is for individuals and business to use alternative approaches to carry on activities. The data available is often not sufficiently detailed to identify impacts of strike action. There are also difficulties in isolating the impact of strikes from other co-occurring events; the period from June 2022 to February 2023 saw not only an increase in strikes but several other major factors and events, including the rising cost of living, and the death of Her Majesty Queen Elizabeth II. Additionally, there have been other seasonal events, such as the bad weather that occurred in late December 2022²⁵.

42. There have been some published estimates which give an illustration of the potential wider cost of public service strikes. Strikes in the NHS cost the Government £1.7 billion net in

²² [DBT Strikes IA](#), 2023.

²³ DBT analysis of the Labour Disputes Survey.

²⁴ [ONS, Labour disputes; working days lost due to strike action; UK \(thousands\)](#), 2024.

²⁵ [The impact of strikes in the UK - Office for National Statistics \(ons.gov.uk\)](#).

2023/24²⁶, with other impacts on patients and families. Industry estimates in rail show that revenue foregone because of strikes since June 2022 has totalled around £850 million, and that, accounting for additional impacts of strikes (including those due to people being unable to work, or due to potential reductions in spending on hospitality and retail), the total impact on the rail sector and wider economy likely exceeds £1 billion²⁷. Furthermore, there are inevitably further indirect impacts of strikes to businesses which are not involved in disputes.

Table 1: Working days lost to strike action in public sectors (thousands).

	Transport, storage, information and communication	Public administration and defence	Education	Health and social work
2008	25	614	104	2
2009	296	5	7	0
2010	76	260	5	0
2011	19	390	655	221
2012	28	150	39	4
2013	24	180	215	4
2014	25	391	313	36
2015	62	25	22	20
2016	51	11	105	132
2017	193	2	27	7
2018	53	16	179	5
2019	52	5	125	33
2020	1	15	0	2
2021	0	0	0	0
2022	2001	53	179	51
2023	332	317	1028	876

Source: ONS

Monetised and non-monetised costs and benefits of each option (including administrative burden)

43. This section describes the potential costs and benefits that may arise as a result of the proposal in comparison to the Do Nothing option.

44. We assess any monetised costs over a ten-year appraisal period and present our estimates in terms of present value costs for this period for business (NPV), society (NPSV) and equivalent annualised net direct costs to business (EANDCB), and households (EANDCH). As per current regulatory guidance, EANDCB and EANDCH are presented in 2024 prices and use 2024 as the base year for the present value calculation. All other impacts are given in 2023 prices.

Option 0 – Do Nothing

45. The Do Nothing option involves a continuation of the mechanism for employers to secure a MSL via a work notice, which sets out the workforce that is expected to work during the

²⁶ [Fixing the foundations: public spending audit 2024-25 \(HTML\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/fixing-the-foundations-public-spending-audit-2024-25)

²⁷ [Department for Transport, 2024.](https://www.gov.uk/government/news/department-for-transport-2024)

strike. Secondary legislation has been introduced in ambulance services, fire and rescue services, and rail and border security. Relevant departments produced impact assessments considering the monetised and non-monetised benefits of the introduction of these MSLs²⁸.

46. However, since the introduction of the Strikes (MSLs) Act 2023, no work notices have been given by employers, so there has been no rise in service levels compared to when the regulations were not in place, and any potential benefits or costs outlined in the relevant impact assessments have not been realised.

Option 1 (preferred option) – Repeal of Strikes (Minimum Service Levels) Act 2023

Scope of policy

47. Not all sectors of the UK economy will be directly impacted by the preferred policy option, as the legislation only applies to key services: health services; education; fire and rescue services; transport services; decommissioning of nuclear installations and management of radioactive waste and spent fuel; and border security²⁹. Workers and trade unions representing workers in these public services are therefore affected by this policy measure.

Numbers in scope

48. To estimate the costs and benefits of this policy, we need to understand the number of employers and unions who will be impacted.
49. The purpose of this section is to outline the potential number of unions, employers, and workers that could be impacted by regulations made under these powers. We take each of these groups in turn, and for convenience, we refer to this section when discussing these groups to avoid repetition in later sections of the Impact Assessment.
50. Note that this Impact Assessment focuses on those services where secondary regulations are in place: ambulance services, fire services, border security, and passenger rail services. However, the 2023 Act did raise the potential for MSL in other public services, such as hospital services and education, so some account will be taken of possible impacts in these services.

Trade Unions impacted by MSLs

51. Research into unions involved in the services expected to be covered in the MSL policy suggest that around 33 unions could be affected. These include unions specifically active in health, transport services, education, fire services, and border security, as well as more general unions such as Unite, GMB, PCS and Prospect. Around 18 unions are involved in the sectors where secondary legislation has been introduced.³⁰

Trade Union members impacted by MSLs

52. Union members in the affected services will benefit from not facing a risk of being told they have to work to secure a MSL on a day of strike action. They will also benefit from having increased bargaining power. Individuals who are not union members could also take strike

²⁸ See: MSLs in ambulance services IA, Department of Health and Social Care, 2023, [Link](#).
MSLs in fire and rescue services IA, Home Office, 2023, [Link](#).
MSLs in border security IA, Home Office, 2023, [Link](#).
MSLs for passenger rail IA, Department for Transport, 2023, [Link](#).

²⁹ These were sectors previously defined as important public services in the Trade Union Act 2016: <https://www.legislation.gov.uk/ukpga/2016/15/contents/enacted>

³⁰ DBT internal analysis

action but may not be able to if they have been told they need to work to secure the MSL, so they will also benefit from not facing a risk of being told they have to work to secure a MSL on a day of strike action.

Employers impacted by MSLs

53. The previous Strikes Act IA presented proxy estimates of the potential number of employers impacted by the introduction of the Act and noted that it would be difficult to assess the number of employers affected until more details on minimum service levels in specific sectors had been outlined. This IA will consider all employers under the scope of the Strikes Act but consider separate impacts for employers in rail, ambulance services, fire services and border security where secondary legislation has been introduced.

Table 2: Summary of estimates of the potential employers impacted by the repeal of Strikes (MSLs) Act 2023.

Employers	Estimated number of employers
Rail ³¹	51
London Buses ³²	17
Airports, air traffic control ³³	56
Buses, excluding London ³⁴	600
Ports ³⁵	265
Multi Academy trusts ³⁶	1405
Single Academy Trusts	1121
Local authorities, Local Education Authorities ³⁷	204
NHS Trusts ³⁸³⁹	239
Ambulance services	12
Fire services ⁴⁰	48
Border Force	1
Total	4,019

Individuals

³¹ [Department for Transport, Strikes Bill IA, 2023.](#)

³² [Who runs your bus - Transport for London \(tfl.gov.uk\)](#)

³³ DfT figures

³⁴ DfT figures

³⁵ [Our Members - British Ports Association](#)

³⁶ [Get Information about Schools - GOV.UK](#)

³⁷ [Education and schools | Local Government Association Local authority role and duties | Policy for Scottish education | Scottish education system | Education Scotland About us - WLGA](#)

³⁸ A- Z List of All NHS Acute (Hospital) Trusts in England (www.nhs.uk), Wales:

<http://www.wales.nhs.uk/nhswalesaboutus/structure>, Scotland: <http://www.gov.scot/Topics/Health/NHS-Workforce/NHS-Boards>

³⁹ [Association of ambulance chief executives](#)

⁴⁰ [National Fire Chiefs Council](#)

54. We define ‘individuals’ as those who are not involved in labour disputes, or more simply, the majority of Great Britain’s population. For this reason, we do not provide an estimate but still consider the impacts of the policy on these individuals.

Familiarisation costs:

55. It is expected that key sectors will be required to familiarise themselves with the legislation and any relevant guidance produced from repealing the Act. Given that this option returns to how things were a year ago, familiarisation time is expected to be minimal. We cover familiarisation costs to trade unions and employers together, as the repeal removes both groups from potential actions during a strike.

Trade Unions

56. As this repeal would be reverting to the previous situation of only a year ago, businesses and unions can be reasonably expected to already be familiar with how this change will affect them. We therefore assume that it would take 10 minutes in meetings for the union General Secretary and three other senior directors to familiarise themselves with the proposed policy. For unions involved in fire services, rail, ambulance services and border security, where secondary legislation has been introduced, there is the potential that IT systems and guidance may have been put in place for if they were going to issue a work notice and that time would be needed to remove these. These were mentioned as potential costs to unions in paragraph 70 of the initial Strikes Act IA and are potential transition costs which we are not able to monetise, but we assume would be minimal. This is based on the evidence obtained from unions in the consultation on the assurance of trade union membership registers, as set out in the related impact assessment⁴¹.

57. Estimates from the Annual Survey of Hours and Earnings (ASHE)⁴² suggest that the median hourly wage of a General Secretary or a senior union official is £32.56⁴³. These values are then uplifted by 21.0% to cover the non-wage labour costs⁴⁴. The calculations are presented in **Table 3** below.

Table 3: Calculating the estimated familiarisation cost for union officials.

	Number of Officials	Median Hour Pay (Uplifted), £	Number of Unions	Hours taken	Total Cost, £
General Secretary	1	39.4	33	0.2	216.68
Other Senior Official	3	39.4	33	0.2	650.04
Total					866.72

Legal Advice to Unions

⁴¹ [BIS, Certification of trade unions' membership registers and investigatory powers for the Certification Officer Impact Assessment](#), p10, 2014.

⁴² [ASHE \(2023\) Table 14.6a Hourly pay - Excluding overtime \(£\) - For all employee jobs: United Kingdom, 2023](#).

⁴³ We use the median wage of Functional manager and directors n.e.c as a proxy for a General Secretary or union senior official wage (SOC 1139).

⁴⁴ [Estimated from ONS National Accounts Data](#), The Blue Book.

58. We expect that, as this repeal will revert to the situation of a year ago, no legal consultation will be needed as part of the familiarisation process.

59. **The total familiarisation cost to unions is estimated at around £867.**

Employers

60. We assume that it would take employers 10 minutes in meetings to familiarise with the policy change. For most employers we assume to be familiarising themselves with the legislation, we assume a chief executive or senior official, and a HR manager or director would form the management team familiarising themselves.⁴⁵ For single academy trusts, which would essentially be a school, we assume one senior education professional would need to familiarise themselves. Estimated median hourly wages for the relevant occupations, taken from the Annual Survey of Hours and Earnings 2023, uplifted by 21.0% to take account of non-wage labour costs, are used to estimate the costs per organisation.

61. For employers in fire services, rail, ambulance services, and border security, where secondary legislation has been introduced, there is the potential that IT systems and guidance may have been put in place for if they were going to issue a work notice and that time would be needed to remove these. As with trade unions, these are transitional costs which we are not able to monetise but assume would be low.

62. The median hourly wage rates (excluding overtime) and estimated related labour costs are set out in **Table 4** below.

Table 4: Hourly median wages and labour costs for employer management team occupations

Occupation	Median hourly wage (excl. overtime) £	Median hourly labour costs (includes non-wage labour costs) £
Chief executives and senior officials	40.8	49.4
Human resource managers and directors	26.3	31.8
Managers in transport and distribution	19.2	23.2
Health and Social Services Managers and Directors	24.1	29.1
Senior officers in fire, ambulance, prison and related services	27.3	33.1
Head teachers and principals	40.9	49.5
Legal professionals	23.1	28.0
Senior officers in protective services	28.7	34.7
IT managers	26.5	32.0

Source: ASHE 2023

63. We take a conservative approach and assume all relevant employers familiarise themselves with the proposed change. This is potentially high, as for some services MSLs were not introduced, so maybe any familiarisation by employers in these services will be at the minimal end of the 10-minute average.

⁴⁵ For Border Force we have estimated that 22 staff would need to familiarise themselves with the repeal, as calculated in the Home Office Impact Assessment for introducing MSLs in Border Force.

64. This gives an estimated one-off familiarisation cost for employers of:

$$[\text{number of employers}] \times [\text{hourly labour cost of familiarisation team}] \times [\text{number of hours to familiarise}] = \text{£51,000}$$

Table 5: Estimated familiarisation costs to employers⁴⁶

Employers	Estimated number of employers	Estimated hourly labour cost of familiarisation team £	Hours taken	Total familiarisation cost £
Rail	51	73	0.2	1,000
London Buses	17	73	0.2	0
Airports, air traffic control	56	73	0.2	1,000
Buses, excluding London	600	73	0.2	7,000
Ports	265	73	0.2	3,000
Multi Academy trusts	1405	99	0.2	23,000
Single Academy Trusts	1121	49	0.2	9,000
Local authorities, Local Education Authorities	204	81	0.2	3,000
NHS Trusts	239	81	0.2	3,000
Ambulance services	12	82	0.2	0
Fire services	48	82	0.2	1,000
Border Force	1	778	0.2	0
Total	4,019			51,000

Households

65. As noted above, the repeal of the 2023 Act is expected to improve the unions' ability to represent workers in collective bargaining, which should lead to improved terms and conditions for workers covered by collective bargaining.

66. Impacts on households resulting from less strike action are inherently difficult to monetise robustly,⁴⁷ so we have not included an estimate of monetised household costs (EANDCH).

Ongoing costs

67. It is difficult to assess the potential costs of repealing the 2023 Act, as the legislation has only been in place for 12 months. Where opportunities for employers to use MSLs have arisen, employers have chosen not to use them. Potential benefits from the Strikes Act were identified in impact assessments for the Bill and related Secondary Regulations, however these have not been realised since their introduction.

68. The potential ongoing costs from repealing the MSL policy are as follows:

- a. Potential increased costs to employers from loss of output during strike action.
- b. Possible operational cost to Government.
- c. Less access to key public services during strike action.
- d. Lower economic output.

⁴⁶ Due to rounding, figures may not sum to the totals provided.

⁴⁷ For instance, a transport strike may affect not only commuters but also businesses that rely on customers or suppliers using public transport. These secondary impacts are harder to quantify.

69. Although based on reasons given by employers (see paragraphs 36 and 37) for not implementing MSLs in the past, we believe these costs to be unlikely.

Potential ongoing costs to Government

70. The Home Office identified potential benefits from MSLs of not having to train and utilise contingency staff during strike action by the Border Force⁴⁸. However, recent strikes by the Border Force did not lead to MSLs being used, so it is unclear whether the potential benefits of MSLs outweighed the costs for Government.

71. As noted above, there are operational costs to the Government from strikes in the NHS, schools, the Border Force, and Fire and Rescue services, from reduced activity and the time taken to recover from lost activity. MSLs, if used or introduced and used, may have resulted in more activity taking place during strikes, which may have reduced the costs of the loss and recovery of inactivity due to strikes. However, MSLs potentially may have worsened industrial relations and led to greater reductions in activity due to industrial action. This was one of the factors put forward by TOCs for not using MSLs.

72. Potentially, not having MSLs in place may mean Government is more likely to agree to improved terms and conditions for workers in the affected services to avoid strikes in these services. This may impose additional cost in wages and employer contributions (which will partly be recovered through tax). However, given various workplace problems in these services, including recruitment and retention, as identified above, potentially improved terms and conditions may contribute to improvements in public service outputs. Improved workforce retention may reduce costs elsewhere, such as on recruitment (including agency hiring) and training.

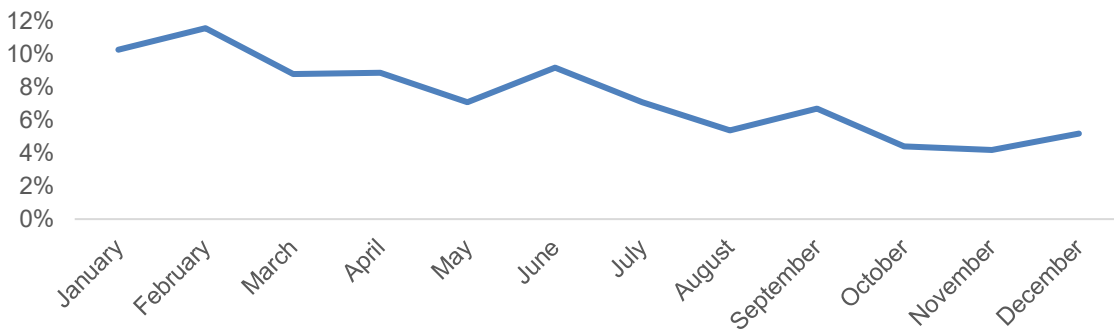
Ongoing costs to employers

73. If strike action occurs in sectors which previously would have been covered by MSLs, there could be costs to employers resulting from the disruption, for example the training and subsistence costs associated with bringing in contingent labour to minimise disruption. In the border security sector, this would include costs associated with deploying personnel from other parts of the Civil Service and members of the Armed Forces. In some sectors there may also be wider societal costs arising from contingency staff being unable to carry out their normal duties whilst covering striking workers.

74. The BICS survey suggests that in 2023, around 7.4% of business were affected by industrial action each month, although this decreased throughout the year (Figure 3).

Figure 3: Businesses effected by industrial action in 2023.

⁴⁸ [The Strikes \(Minimum Service Levels: Border Security\) Regulations 2023 \(legislation.gov.uk\)](https://www.legislation.gov.uk)



Source: ONS BICS

75. Transport strikes are more likely to impact sectors where employers are unable to work from home. According to BICS, only a small proportion of employees in the education sector work from home – the January 2024 BICS found that 10.5% of employees in education were working from home⁴⁹. Similarly in Human Health and Social Work activities, 6.3% of employees were working from home. This implies these workers are among industries with the lowest proportion of people currently working from home and hence more likely to be impacted by transport strikes.

76. However, it is not clear that MSLs would have led to less impact from strike action overall in these sectors. Employers in passenger rail certainly flagged a potential risk of more industrial action resulting from use of MSLs, as mentioned in paragraph 38.

Benefits

77. As with the costs, the recent introduction of the Strikes Act, and the lack of use of MSLs since, makes it difficult to assess ongoing benefits. Where opportunities to use MSLs have arisen, employers have not used them suggesting that their net benefit is not clearcut. The potential ongoing benefits from this change are as follows:

- a. Improved industrial relations potentially leading to disputes being resolved more quickly and therefore reduced industrial action.
- b. Improved terms and conditions for workers.
- c. Higher economic output.

78. These benefits largely depend on the extent that workers, trade unions and employers change their behaviour in response to the policy changes. Therefore, these benefits are inherently difficult to monetise robustly, so we have not included an estimate of monetised household costs (EANDCH). Where this is the case, we have identified these and explained the likely impact in a qualitative manner.

Ongoing benefits to workers and unions

79. The primary benefit to workers and the unions representing them is that employers will not have the option to require some workers (including potentially those going on strike) to work on strike days to provide a statutory minimum level of service on those days. The purpose was to reduce the impact of strikes in these services, and through that reduce union bargaining power. The repeal of the 2023 Act removes this threat. However, given that the MSLs were not used it is difficult to assess the level of threat in practice.

⁴⁹ [ONS, Business Insights and Conditions Survey data](#) (Wave 100). Based on responses from 10,665 UK businesses referencing the period 1 December 2023 to 31 December 2023. Data from currently trading businesses only.

80. It is difficult to argue that on its own the repeal of the 2023 Act may lead to employers taking a more constructive approach to negotiations with workers, given that this repeal essentially returns the situation to that of mid-2023. Potentially, if the 2023 Act and MSLs had become embedded then employers/Government may have used the MSLs (and maybe a perception of reduced power among workers) to reduce relative terms and conditions.
81. If a perception of reduced collective power through unions due to the 2023 Act did take hold in these services, it may have led to reduced union membership levels and activity. This would have reduced unions' ability to protect and improve working conditions. Therefore, both unions and the workers they represent potentially benefit from the repeal of the Act (though at this stage the benefit is essentially the removal of the threat to current levels of collective worker power).

Ongoing benefits to wider economy

82. Repealing the Strikes Act removes the threat of reduced bargaining power for unions and workers in the affected services. As stated above, the repeal could lead to the reduced risk of employers taking advantage of the potential reduction of the impact on any strike day – and any perception of weakened bargaining power among workers to reduce terms and conditions. The repeal abates this risk. Alongside other union law reforms and other factors, the repeal may contribute to a more constructive approach to negotiating with workers. Better cooperation between employers, Government, and unions could reduce the amount of industrial action and therefore reduce the negative externalities on the wider economy of industrial action.

Ongoing benefits to Government

83. The potential reduction in negative externalities on the wider economy if industrial disputes are resolved more quickly could result in higher economic output.

Summary of costs and benefits

84. This section provides a summary in Table 6 below of the estimated costs and benefits of Option 1 (preferred option).
85. This Impact Assessment is only able to monetise a small proportion of the impacts associated with the repeal of MSLs. This is because since the introduction of MSLs in 2023, no work notice has been given so there has not been evidence of the potential benefits of having MSLs in place in key public services across the UK. However, as mentioned in paragraph 39 above, when rail operators had the opportunity to use MSLs in passenger rail services, they decided not to use them due to the possibility of worsening industrial relations and the operating costs of implementing them. Assuming employers in other key sectors would have faced similar scenarios, it is unlikely that MSLs would have been used in key public sectors with the current MSLs regulations, and so the costs of the repeal are likely to be minimal.
86. Overall, the repeal aims to improve the likelihood of good faith negotiation and bargaining between employers and unionised workers, leading to a reduction in the amount of industrial action. This would lead to wider benefits to the UK economy resulting from less disruption to key public services. However, set against this is the possibility that strikes would lead to further disruption as MSLs to limit impacts would no longer be in place. However, this is uncertain, as no work notices have been given since the Act has been in place and train operators decided not to use them due to the possibility of worsening industrial relations and operating costs of implementing them.

87. Improved good faith negotiation and bargaining between employers and union workers could also lead to improved terms and conditions for workers. This could lead to positive impacts to the economy resulting from attracting and retaining talent; increased productivity resulting from increased employee morale and motivation and the ability to attract skilled workers; reduced costs associated with hiring and training new employees; and improved quality of life as individuals have more disposable income.
88. Estimates of familiarisation costs to employers and unions have been provided in this Impact Assessment to give a sense of possible scale of the repeal, but these are based on high level assumptions about the amount of time and number of employees per organisation required to familiarise with the requirements of the proposal.

Table 6: Summary of estimated costs to business for Option 1 (preferred option)

Type of business	Estimated number in scope	Estimated total cost (£)
Trade Unions	33	866.72
Employers	4,019	51,000
Total	4052	51,866.72

Risks and assumptions

89. In appraising the preferred option, we also qualitatively consider the potential risks at a high-level. The inclusion of these risks in the impact assessment does not indicate we expect them to happen and in our view, it is not possible to accurately quantify them.
90. An assumption we have considered is that the preferred policy approach would lead to improved relations between unions and employers. Unions criticised the introduction of the Act, claiming it would worsen industrial relations and lead to more strikes⁵⁰.
91. We have assumed that there would be less strike action in the future as settlements between unions and employers would be reached more quickly. However, this is speculative and there is a risk that this is not what happens. Strikes themselves are influenced by a range of factors, such as the nature of the dispute, the level of support for strikes from union members and the ability of employers and unions to reach a settlement. It is therefore not possible to predict with any certainty that strikes will decrease as result of this policy. Furthermore, this risk may also be mitigated by the costs to unions and their members, principally loss of pay, of taking industrial action.
92. Lastly, when employers have had the option to use minimum service levels they have decided not to do so, for the reasons detailed in paragraphs 38 and 39. Therefore, we assume there would not be further wider negative economic impacts of the repeal as they have not mitigated impacts in the past, so there would be no negative change from employers no longer being able to use them.

Impacts on small and micro businesses

93. The proposed policy is deregulatory for unions, and, as most unions are micro, small or medium sized employers, SMEs will be directly affected. Unions will benefit from the policy by having the risk to their bargaining power removed. For SMEs in the economy generally, it is unclear whether MSLs would overall result in less impact from strikes as employers were concerned that MSLs might have caused additional strike days.

⁵⁰ Strikes bill: Unions criticise plans as unworkable: <https://www.bbc.co.uk/news/uk-64219016>

94. For employers in the industries where statutory regulations have been introduced – ambulance services, fire services, and border force – all are public sector organisations and likely to be large employers. The majority of employers in passenger rail are medium or large businesses⁵¹. There are some businesses in passenger rail that are classified as small or micro businesses. We have assumed the familiarisation costs for all businesses would be minimal, and that all businesses would benefit from the repeal removing the administrative burdens on employers and trade unions of administering work notices, as noted in the administration and compliance costs section above.
95. As detailed above, there would be small familiarisation costs for unions and employers because of the repeal. These costs would be offset for unions by having greater bargaining power and the value of their services to workers would increase.
96. Since June 2022 the fortnightly BICs survey has asked participating businesses the question “Was your business affected by industrial action”. Table 7 below provides a breakdown of the impact of industrial action on businesses across all industries by size band in 2023. Generally, all businesses reported being decreasingly affected by industrial action as the frequency of strike action decreased towards the end of 2023. One of the intended impacts of the policy is to reduce the number of strikes in the future as a result of improved industrial relations, so in this case we would expect the policy to proportionally benefit small and micro businesses that have been affected.

Table 7: Businesses across all industries affected by industrial action in 2023, by size band.

Month	Business Size				All businesses
	Micro	Small	Medium	Large	
January	9.7%	14.8%	28.0%	12.2%	10.3%
February	11.4%	13.7%	28.0%	12.3%	11.6%
March	8.6%	10.3%	19.9%	9.3%	8.8%
April	8.7%	10.6%	20.0%	9.6%	8.9%
May	6.9%	8.7%	17.1%	7.3%	7.1%
June	9.1%	10.4%	21.6%	9.9%	9.2%
July	7.1%	7.2%	16.3%	7.4%	7.1%
August	5.2%	7.0%	13.1%	6.0%	5.4%
September	6.8%	6.5%	13.1%	6.0%	6.7%
October	4.3%	4.7%	9.8%	4.5%	4.4%
November	4.0%	5.6%	11.3%	5.4%	4.2%
December	5.1%	5.9%	11.4%	5.0%	5.2%

Source: ONS BICS

97. While smaller businesses are much less likely to have unionised workforces than larger employers, some industrial action may affect smaller workplaces. If this policy helps to mitigate strike action in key public services, there will be wider benefits to the economy, which will benefit all sizes of business, including small and micro businesses.

Public Sector Equality Duty Assessment

⁵¹ [DfT Strikes Bill IA](#), 2022.

98. For the Impact Assessment, the protected characteristics consist of nine groups: age, race, sex, disability, religion or belief, sexual orientation, gender reassignment, pregnancy and maternity, and marriage and civil partnership. While it is not feasible to provide an analysis of all the demographics of these specific groups, we can consider those for union members across some broad key industries. Data is from the latest Labour Force Survey, as outlined in DBT's annual trade union membership publication⁵². The data suggests the following for the key industry groups covered in the analysis, compared to total employees in the UK:

- a. **Key sectors** (includes health, education, rail, fire, and border security)
 - i. Members are more likely to be female, more likely to be aged 35 to 50 or over 50, more likely to be Christian, more likely to have a disability and more likely to be from an ethnic minority.
- b. **Hospital or ambulance services**
 - i. Members are more likely to be female, more likely to be Christian, more likely to be aged 35 to 50, more likely to have a disability and more likely to be from an ethnic minority.
- c. **Primary or secondary education**
 - i. Members are more likely to be female, more likely to be aged 35 to 50, more likely to be Christian and more likely to be of White ethnicity.
- d. **Rail or urban public transport services**
 - i. Members are more likely to be male, more likely to be Christian and more likely to be aged over 50.
- e. **Fire and rescue services**
 - i. Employees are more likely to be male, and more likely to be aged over 35.
- f. **Border security**⁵³
 - i. Members are more likely to be male.

Summary

99. In summary, the Repeal, along with other trade union reforms, is expected to deliver benefits to both the economy (and therefore all members of society who benefit from economic growth) and individuals who rely on key public services.
100. Although certain industries may show a higher likelihood of protected characteristics being affected, we do not expect a disproportionate impact on these workers. Any consequences of the preferred option would affect all union members in the affected industries, given the high proportion of employees covered by collective agreements, as well as non-union employees covered by these agreements. In general, workers not involved in the dispute may experience short-term costs, such as disruptions to services. This potential cost is discussed earlier in this Impact Assessment.

Advancing the equality of opportunity

⁵² [Trade Union Statistics](#), 2023

⁵³ It is important to note that 'border security' may go wider than 'Border Force', but we use 'Border Force' protected characteristics as a proxy for the protected characteristics of all those working in 'border security'.

101. The Public Sector Equality Duty (PSED) requires the Department to have due regard to the need to advance equality of opportunity between people who share a protected characteristic and those who do not.
102. The repeal of the MSLs policy along with other factors, could contribute to moving industrial relations towards good faith negotiation and bargaining, potentially helping resolve industrial disputes and help minimise the disruption of strike action. This would have a net positive impact on all users of key public services and all workers in key public sectors, regardless of their personal characteristics. By enhancing the power of trade unions and strengthening collective bargaining, the repeal is expected to benefit workers' terms and conditions, leading to improved wages, job security, and working conditions over time. Since users of public services span the entire population, we determine that the benefits of these measures will be widely distributed without negative equality impacts on protected groups. In cases where certain protected groups are more represented in key public sectors, they may disproportionately benefit from improved labour conditions. As such, any potential equality impacts resulting from the repeal are considered justified and proportionate due to the broader positive effects on workers' rights.

Eliminating discrimination and other prohibited conduct

103. The PSED requires DBT to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act. As above, since users of public services span the entire population, we determine that the benefits of the Bill measures will be distributed in accordance with the population without any negative equality impacts on protected groups. No other forms of discrimination are considered to arise as a result of this policy.

Trade Implications

104. We do not believe that the repeal of powers under the Strikes (Minimum Service Levels) Bill will have any impact on international trade. This is because the Bill's powers are limited to key sectors, and these sectors are not internationally traded⁵⁴. As a result, we do not foresee any effects on the UK's ability to trade or provide services overseas.

Environment: Natural capital impact and decarbonisation

105. We expect that there is no or negligible impact on the environment, natural capital, and decarbonisation as a result of this policy. The regulation does not directly relate to environmental or decarbonisation goals.

⁵⁴ "As most physical goods can be shipped fairly easily, manufacturing, agricultural production and resource extraction are considered tradable sectors. Conversely, non-tradable services typically include Governmental services, education, health care, the construction sector and retail." OECD, [Link](#).