

Options assessment

Title: Workers' right to be informed by their employer of their right to join a trade union

Type of measure: Secondary Legislation

Department or agency: Department for Business and Trade

IA number: DBT -090 – 25 - CMRR

RPC reference number: RPC-DBT-25087-OA(1)

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Date: 21 November 2025

1. Summary of proposal

1. On 10 October 2024, as part of a broader set of Trade Union legislation reforms in the Employment Rights Bill, Government introduced a new duty for employers to:
 - provide a written statement to new workers of their right to join a trade union
 - inform all workers of their right to join a trade union on a prescribed basis
2. The intention of this policy is to improve worker representation and industrial relations by addressing the information gap that contributes to the low level of unionisation particularly in the private sector in Britain whilst supporting businesses to carry out the duty as part of their normal activities.
3. The Impact Assessment accompanying primary legislation provided a high-level analysis of the impacts that could follow from these primary powers, and as such were not assessments of a specific implementation approach.
4. Specific details of the obligation, including the form, the content, the frequency, and the manner of communication are to be set out in secondary legislation, following public consultation. As such, this assessment provides a high-level appraisal of the options to be considered during consultation, to support decision making on a preferred option.

2. Strategic case for proposed regulation

5. Trade unions play an important role in protecting and representing workers across the economy, ensuring people are empowered at work and driving living standards across the country. However, there has been a decline in the unionised worker voice in recent decades which has likely exacerbated the wider issues the UK labour market faces. In 2024, the proportion of UK employees who were trade union members fell to 22.0%, representing the lowest union membership rate among employees since records began

in 1995 (when the union density rate among UK employees was 32.4%)¹. The OECD ICTWSS collective bargaining database estimates that UK union membership density peaked at over 50% in the late 1970s/early 1980s². This has reduced the ability of workers to utilise collective worker power to negotiate better terms and conditions, access to training and secure work.

6. The government believes strong collective bargaining rights and institutions are key to tackling problems of job insecurity, inequality, discrimination, enforcement and low pay. When workers are empowered to act as a collective, they can secure better pay and conditions. However, an important factor determining the power and influence of trade unions, either within an organisation or across sectors, is the proportion of workers who choose to join – as high union membership among a workforce will increase the potential bargaining power of those workers, and make recognition for bargaining purposes easier to obtain³.
7. Currently in the UK there is no explicit requirement within existing legislation for employers to actively inform their workers of their right to join a trade union, either at the start of their employment or on an ongoing basis. This may lead to some workers not being aware of their right to join a trade union.
8. There is some evidence that structural economic changes have been a factor in the fall in union membership, the move from heavy production industries to services for instance⁴. Union membership and collective bargaining coverage in the private sector has fallen to low levels (11.7% of workers being members, 20.1% of jobs where pay is determined by collective agreements) in recent decades⁵. This compares to OECD ICTWSS estimates of around 46% membership density and 69% collective bargaining coverage in the UK private sector in the late 70s. The Management and Wellbeing Practices Survey suggests there is a substantial majority of workplaces where there is no union presence or a recognised union⁶. This is likely to lead to a situation where many workers do not see unions operating in their workplace and may not see evidence of people they know (parents, relatives or friends) joining and participating in collective organisation through unions. This will reduce awareness among workers of the potential benefits of union membership⁷. The TUC's Young Workers Project⁸ found that among over 300 'young core workers'⁹ the vast majority hadn't heard the term 'trade union' and couldn't provide a definition. However, when they were provided with the relevant information, they were often interested in having the opportunity to join.

¹ [Trade union statistics 2024 - GOV.UK](#)

² [OECD/AIAS ICTWSS database | OECD](#)

³ [Bryson and Forth 2010 Trade Union Membership and Influence 1999-2009 NIESR DP 362 - final.doc](#)

⁴ [The end of trade unionism as we know it](#), A. Bryson and D. Blanchflower Autumn 2008

⁵ [Trade union statistics 2024 - GOV.UK](#)

⁶ [Management and Wellbeing Practices Survey - NIESR](#)

⁷ [Family, Place and the Intergenerational Transmission of Union Membership - Bryson - 2019 - British Journal of Industrial Relations - Wiley Online Library](#)

⁸ [WorkSmart Innovation Project Report 2019 AW Digital.pdf](#)

⁹ Workers aged 21 to 30, in the lower half of the wage distribution, working in the private sector in employers with more than 50 workers, not in full-time education and had never joined a trade union

9. This produces a market failure through an asymmetry of information between employers and workers and creates an imbalance of power when the worker's voice is weak, or in some cases absent.
10. There is evidence that some non-unionised workers would be interested in being represented by a union at their workplace. Evidence from the Skills and Employment Survey 2024 shows that around 36% of workers in non-unionised workplaces would vote to establish a union in their workplaces if a ballot was held, with a further 32% saying they were undecided¹⁰. This suggests that this lack of awareness on behalf of workers contributes to low union membership and reduced collective bargaining especially in many private sector industries and some regions.
11. The government therefore wants to improve the awareness of workers to better enable them to choose whether to join unions and organise themselves collectively, by providing information on their right to join a union along with information on the role of trade unions. Research suggests that the majority of workplaces have managers ambivalent or opposed to unionisation, which is a factor in falling union membership¹¹, indicating that government intervention would be required to achieve the policy objective.
12. Should government not intervene, the market failures described above will persist and continue to contribute to an imbalance of power between employers and workers. Many workers potentially interested in having a voice at work may remain unaware of their right to collectively organise. Only a minority of workers would have trade union membership and be covered by collective bargaining, meaning workers' voices will remain weak or absent in many workplaces, reducing the likelihood that problems of insecurity, inequality, discrimination, enforcement and low pay will be tackled.

3. SMART objectives for intervention

13. The aims of this policy are:
- Ensure workers are informed by their employer about the role of trade unions and their legal right to join without facing detriment from their employer:
 - When they join a new employer
 - At other prescribed times
 - Employers are able to use an established method of communication with their workers to carry out the duty, to ensure the burdens on business are minimised.
14. The intended outcomes of the options are:
- Employers inform their workers of their right to join a trade union, using a low-cost form of communication.
 - Workers who were previously unaware or discouraged from joining a union are empowered to join a trade union and organise collectively in their workplace.
 - This greater awareness among workers, alongside other reforms such as statutory union access to workplaces, will lead to growth in union membership and union recognition in the workplace, strengthening collective worker voice, leading to more widespread collective bargaining and improved working pay and conditions.

¹⁰ [3.-Has-the-Tide-Turned-for-Trade-Unions.pdf](#) Rhys Davies and others.

¹¹ [Forth and Bryson 2015 Trade Union Membership and Influence 1999-2014 for NIESR web .docx](#)

- Stronger collective worker voice leading to increased cooperation between employers and workers, leading to beneficial outcomes for the economy.

15. This policy supports the government's growth objective by reducing barriers to effective collective worker voice through helping enable the strengthening worker representation and bargaining power. This helps to ensure the benefits of growth are fairly shared across the economy.

4. Description of proposed intervention and explanation of the logical change process whereby this achieves SMART objectives

16. The primary duty for employers to inform their workers of their right to join a trade union has been set out in the Employment Rights Bill. Secondary legislation will set out the detail of how this duty is to be carried out. The proposed options set out here and in Section 6 consider the content of the information employers must provide, the form the statement should take, the potential methods of communication that employers can use and the frequency with which they will do this. These options are to be consulted on, to establish a preferred way forward.

17. The preferred policy option is as follows:

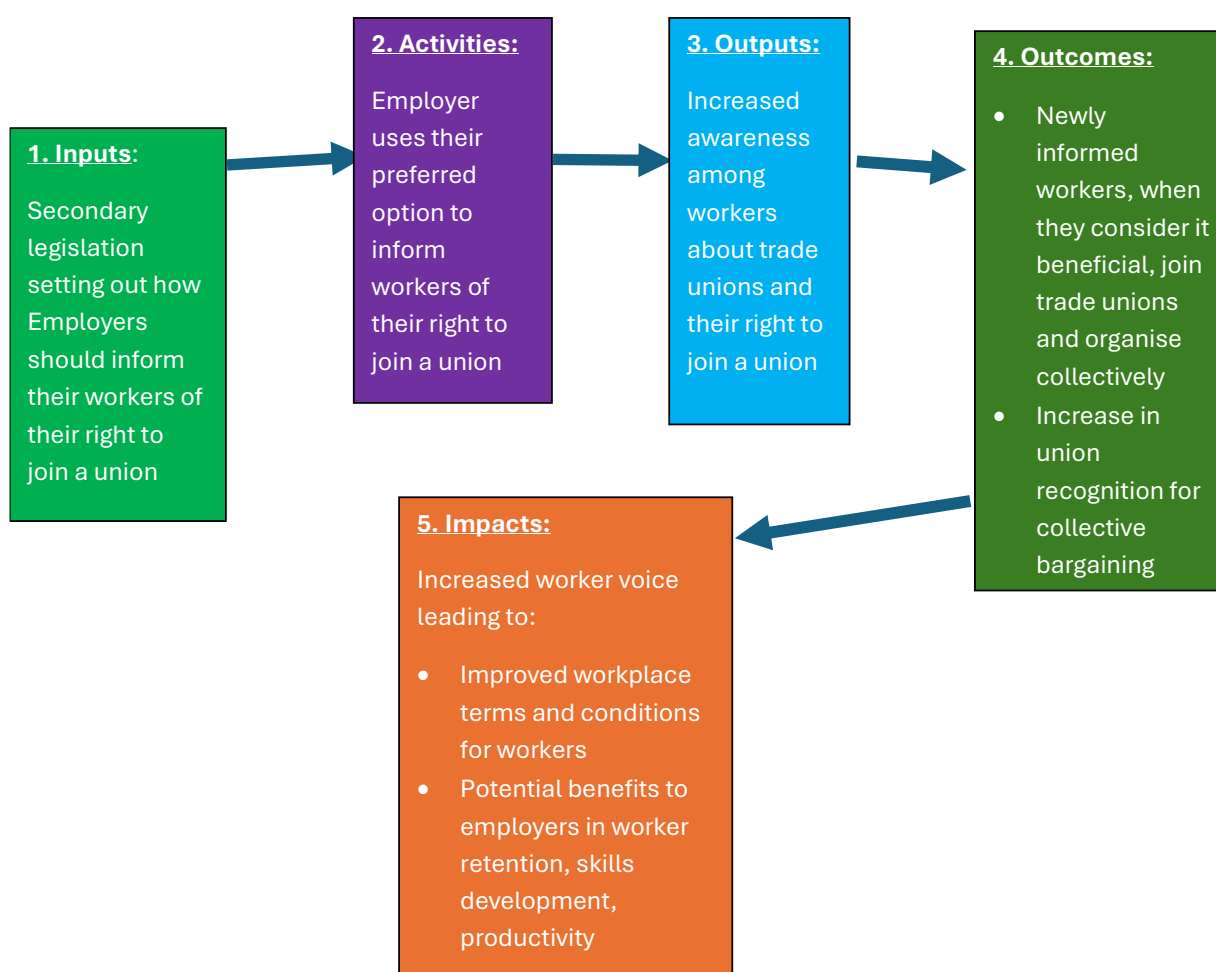
- a. **Form:** The government will provide a standard statement of workers' right to join a union, containing the key information prescribed in secondary legislation for employers to distribute. Employers with recognised unions would only need to add the details of the unions they recognise to the standard statement. This would help ensure that the information provided was clear and consistent across all workers, and the administrative burden for employers was kept low.
- b. **Manner of delivery:**
 - i. Employers provide all **new** workers with information in writing directly, such as by email or physical copy, about their right to join a union alongside the written statement of employment particulars.
- c. Employers provide their **existing** workers with information in writing about their right to join a trade union either indirectly or directly. Indirect methods include posting the statement on a notice board, staff portal or intranet and would require the employer to make the statement continuously available and ensure workers have reasonable access to it. Providing employers with the option of direct and indirect methods would provide them with flexibility to choose the approach that most suits the needs of their workers and workplace.
- d. **Frequency:** Employers should provide their existing workers with information in writing about their right to join a trade union either indirectly (making the information easily accessible) on a continuous basis or directly (actively sending to their workers) on an annual basis.
- e. **Content** Information to be included in the statement in addition to the right to join a trade union in order to meet the policy objectives:
 - i. A brief overview of the functions of a trade union.
 - ii. A summary of the statutory rights union members have which are set out in Part III of the Trade Union and Labour Relations (Consolidation) Act 1992

including that workers should not suffer any detriment based on their decision to join or not join a trade union.

- iii. A list of all trade unions that the employer recognises (if any).
- iv. A signpost to a Gov.uk page with a list of current trade unions (with some information about the union to help workers identify relevant unions)

18. With greater knowledge of their legal rights to join a trade union, the purpose of unions and the trade unions recognised by their employers, workers will be more empowered to decide whether unionised collective worker voice would be beneficial for them. Furthermore, being given the statement on a regular basis or having it continually available, as well as when starting in a new job, will mean workers will be able to remain informed of these rights as their employment progresses (and economic and workplace conditions may vary). This is expected to lead to an increase in union membership and union recognition (combined with other reforms such as union access to workplaces), which will improve workers' bargaining power and enable them to negotiate for improved terms and conditions.

Theory of change diagram



5. Summary of long-list and alternatives

19. There are a number of key policy considerations for this consultation, focused on how employers can carry out the duty to inform their workers of their right to join a trade union. As well as the preferred option shown in Section 4, and other options being consulted on in Section 6 (following the recommended guidelines for completing the OA template), these are:

- a. **Form:** The Employment Rights Bill specifies that this information must be in conveyed in written form. This rules out using verbal communication or presentation alone, due to this approach making it more difficult for workers to access the information in their own time, and more difficult to ensure all workers receive the information. The government considers it important that the information is presented in a clear, accessible format that is consistent across all businesses to ensure all workers can understand and engage with.
- b. The government will not be consulting on the option of requiring all employers to separately draft their own statement on the right to join a union as this would likely be unnecessarily burdensome for micro and small employers who make up the vast majority of employers.
- c. **Content:** the information to be included that will inform workers of their legal rights and ensure businesses are compliant with the legislation. As indicated in the preferred option, the government has set out the key information that it thinks should be included to ensure that the statement is in line with the policy objectives.
- d. **Manner of delivery:** Various options for how the written statement can be delivered to workers. The statement provided to new workers could be provided directly or indirectly at the same time as the written statement of employment particulars. As discussed in the preferred options, for new workers the information would be provided in writing directly alongside the written statement of employment particulars. For existing workers, the preferred option is for employers to decide if they provide the statement indirectly or directly. The government will consult on two other options which includes indirect delivery with a reminder and direct delivery only (set out in Section 6). The government will not be consulting directly on the options below, as they are seen as too prescriptive and unnecessarily burdensome:
 - i. Requiring the statement to be provided only through indirect methods – some employers, especially micro or small employers, may not communicate with their workers indirectly, so requiring this approach would be unduly prescriptive and some employers may not be able to comply with it at all if they do not have the means to communicate with their workers indirectly.
 - ii. Requiring the statement to be provided indirectly on a regular basis, such as annually. This would potentially be burdensome to employers, who would have to regularly take action to ensure information was added to an intranet or noticeboard, as opposed to providing the information continuously. It would also mean that the information was not easily accessible to workers to process in their own time, but limited to a specific window.

- e. **Frequency:** Various options were considered on the frequency that the employer would need to directly provide the statement to their existing workers, if the direct approach was used, or a reminder on where the statement is available is required. The following options have not been put forward as options in the consultation:
- a. – this was considered to be too burdensome for employers, who would have to send the same communication to their workers four times a year (although it may have a low financial cost) and workers who are interested are likely to be able to retain that information for a period of time.
 - b. Every two years, or less frequently – This is likely to be too infrequent to meet the policy objective of ensuring workers are aware of the right to join a trade union. There is some evidence that among adults the pattern of information retention means that most new information they have learned (presumably of less interest to the person) is not retained after 24 hours, with around a third of information retained longer term. Retention of this information tends to decline by around a half every two years¹². This suggests that there is an increased risk of workers who may have some interest in the information forgetting their rights the longer the gap between information provision.
 - c. No prescribed frequency – left to the employer's discretion. This was ruled out as it would likely result in many employers who prefer managing without taking account of an independent worker voice to at best providing the information very infrequently.

Scope of coverage of small, micro and medium sized employers

20. The preferred options are expected to be applied to businesses of all sizes, including small and micro businesses, in line with manifesto commitment that employers have a duty to inform all workers of their right to join a trade union. As discussed below, there is evidence that some micro employers are unionised, which indicates that workers at this size of employer can benefit from union representation. As indicated on the government guidance on joining a trade union¹³, a union could help with individual representation like discussing worker's concerns with an employer, as well as disciplinary and grievance procedures. A union could also help ensure a small or micro employer considered any standard terms and conditions for specific industries and occupations. It is also relevant to the policy objectives that workers who may be employed by small sub-contractors as part of a large project, for instance in construction, or workers at a franchise of a large organisation are aware of their right to join a union. There is some evidence from the Low Pay Britain 2022 report that a higher proportion of workers with micro employers are on low hourly and weekly pay¹⁴. The Good Work report from 2017 also suggested that the

¹³ [Joining a trade union: Joining a trade union - GOV.UK](#)

¹⁴ [Low-Pay-Britain-2022.pdf](#)

challenge on good employment relations included extending good practices more widely, especially to smaller companies¹⁵. There is therefore a case that workers at small and micro employers should at least be made aware of their right to join a union. The policy design is aimed at making compliance very low cost for micro and small employers, for instance by providing a standard model statement which can be easily downloaded and used by the employer. A more detailed breakdown of the expected costs for these businesses is included in the following section.

21. Currently, trade unions can apply for statutory recognition of a bargaining unit via the Central Arbitration Committee if the employer has 21 or more workers¹⁶. This would mark the minimum for coverage, as the policy objective is to contribute to strengthened worker voice through unionisation. However, the vast majority of trade union recognition for bargaining units by employers is through voluntary agreement¹⁷, and evidence from both the Workplace Employment Relations Survey and MWPS indicates that there is union presence and union recognition at some micro employers, and employers with 10 to 19 workers. Based on data from the Business Population Estimates for 2024¹⁸ we estimate that slightly over 4 million workers are based at micro employers, with around 4.6 million at small employers, accounting for a combined 28% of workers in the UK. The evidence suggests that these workers would potentially benefit from being better informed of their right to join a union, and what services a union provides. If they felt that their working conditions could be better, then being aware of unions as a way to help achieve improvement would be beneficial.
22. It is also important that the policy enables employers, especially small and micro employers, to comply with the legislative requirements at minimal cost. The preferred option of having a simple standard text to send out, and the potential for indirect distribution, would minimise the burden of compliance on employers, particularly small and micro businesses. These options will be consulted on.

6. Description of shortlisted policy options carried forward

23. The preferred option for this policy is set out in Section 4. The additional shortlisted policy options that are to be consulted on as alternatives are as follows:
- a. **Form:** The employer could draft their own statement to their workers informing them of their right to join a trade union. They would have to do so in line with the content requirements provided by the government. This would allow employers more flexibility and allow them to tailor the statement to suit the needs of their workers. This approach is in line with requirements elsewhere in employment law, such as the requirement for the pension scheme enrolment, which allows employers flexibility to customise the statement to their employees while still meeting the mandatory content requirements. Under this option, the government would also provide a model statement which would help support employers to draft

¹⁵ [Good work: the Taylor review of modern working practices](#)

¹⁶ [Statutory Recognition – Guidance on Part I of Schedule A1 - GOV.UK](#)

¹⁷ [Collective employee voice: Recommendations for working with employee representatives for mutual gain](#),

Figure 2

¹⁸ [Business population estimates 2024 - GOV.UK](#)

their own statement and allow employers who do not wish to draft their own to issue it to their workers. However, this option carries the risk that some employers may draft a statement that discourages their workers from joining a union and could also lead to inconsistent messaging and quality of information.

- b. **Content:** The preferred option sets out key information that the Government thinks should be included in the statement of the right to join a union. This key information will be consulted on, as well as whether there is any additional or alternative information that should be included.
- c. **Manner of delivery:** For new workers, the option of providing the information indirectly is also being consulted on. Two additional options for how employers can provide the information to their existing workers will be consulted on. These options are designed to ensure that the employers' existing workforces are actively presented with the statement of their right to join a union. They are:
 - i) Direct communication only (sending the information at set regularity),
 - ii) Direct or indirect communication, with employers required to regularly remind workers where the information was located if provided indirectly. This would ensure that workers would know where the information was if communicated indirectly.
- d. **Frequency:** The additional options being consulted on in relation to frequency of communication to existing workers (where employers are using direct methods or are required to issue reminders for indirect methods) are:
 - i) Every six months.
 - ii) Sector specific frequencies. Sectors identified by the government as high risk of labour market non-compliance should have to inform workers of their right to join a union more frequently than other sectors.

24. The estimated costs of the policy options will be benchmarked against a baseline of no change.

25. **The Option 0: Do Nothing option** would involve not implementing the right of workers to be informed by their employer of their right to join a union. This would mean that employers would not incur a small administrative cost of informing new and existing workers of their right to join a union. It would also mean that many workers, particularly in areas, industries and occupations with low unionisation, would remain unaware of their right to join a union, and how workers being collectively organised might help them to improve their terms and conditions. This lack of awareness would remain a barrier to workers collectively organising to improve their working conditions, and thereby strengthening the voice of working people. This would make it more difficult to achieve the government's objective of fairly balancing the interests of workers, employers and the wider public¹⁹.

26. **Option 1: the preferred option** – is where:

- a. The government provides a standard statement for employers to distribute, only requiring the employer to include additional information on any recognised unions.
- b. Employers can provide the statement indirectly or directly to their existing workers:
 - i) If direct methods are used the statement must be provided on an annual basis

¹⁹ [Government response to the consultation on creating a modern framework for industrial relations](#)

- ii) If indirect methods are used, the statement must be available continuously.

27. **Option 2:** the alternative options – considers all the other combinations of what is being consulted on. Primarily, the differences would be frequency of delivery, and the use of direct, or indirect communication methods with a reminder.

Cost assumptions

28. Our analysis assumes that businesses will choose the most straightforward approach of one method of communication with their existing workers out of the options provided. This would be the method they usually use, which we assume is the lowest cost option. Where employers already have recognised unions, they might have existing arrangements. As most employers do not have recognised unions, we would generally expect them to achieve compliance as simply as possible.

29. There is quite a lot of relatively recent evidence that a significant proportion of workers in the UK do not have access to work IT hardware such as PCs, portable devices and smart phones²⁰. DBT estimates from the Management and Wellbeing Practices Survey 2018 suggest that the majority of micro business (with 5 to 9 workers) do not ‘regularly use e-mail to communicate with all their workers’, and very few use an intranet to communicate with workers²¹. It is therefore important to have options that employers who have different means of communicating in writing with workers can easily use. For workers starting with an employer, the Employment Rights Bill states that workers must be given the statement of their right to join a union when they receive their statement of employment particulars. For existing workers the analysis considers the use of the following written communication methods:

1. By e-mail, or other digital communication such as text.
2. Physical copy – delivered by hand or post
3. Online portal – such as intranet
4. Newsletters circulated to all workers
5. Noticeboards

30. The ONS Business E-Commerce and ICT Activity Survey for 2019 suggests that nearly all employers have internet access – which suggests that even the smallest employers would be able to download the text to either circulate digitally or to print.

31. One of the key elements that will impact on costs is whether there is just a set text to distribute, or a model template which can be used as a set text, or can be used as the basis for employers to amend to reflect their own organisation’s business. Gathering informal evidence from some HR digital communications managers, we estimate that the practical timings to get the key information required and arrange communication would be:

- a. Downloading the text and subsequently printing it or sending it via email would take approximately ten minutes (based on practical tests).

²⁰ [E-commerce and ICT activity - Office for National Statistics](#), [UoL Employers Digital Practices at Work Survey Mar 23](#)

²¹ DBT analysis of the Management and Wellbeing Practices Survey.

- b. Evidence from a content designer suggests that an intranet page/online portal page based on a short set text would take up-to 20 minutes. This would include page set-up and converting text to HTML.
- c. We estimate that as newsletters and staff handbooks would potentially use similar publication software then it would take a similar amount of time to place the information in a master copy of a newsletter or staff handbook (20 minutes).

Familiarisation

32. The policy requirements are relatively clear and succinct, and we estimate it would take 10 minutes for a managing director or senior official (for micro employers) or HR manager or director (for small or larger employers) to familiarise themselves with the policy. This is in line with the estimate in the Strengthening Workers' Rights to Trade Union Access, Recognition and Representation Impact Assessment.
33. Using data from the Business Population Estimates 2024 to estimate the number of employers in Great Britain, and hourly wages data from the Annual Survey of Hours and Earnings 2024²² (uprated by estimated non-wage labour costs as a percentage of wages from the National Accounts) to estimate hourly labour costs, we estimate that familiarisation costs would total **£7.8 million**.

Table 1: estimated familiarisation costs

Employer Size	Number of employers	Hours taken to familiarise	Hourly labour cost	Total (to nearest £000)
Micro	1,192,196	0.17	£31.19	£6,197,000
Small	228,998	0.17	£33.81	£1,291,000
50 to 249	41,999	0.17	£33.81	£237,000
250 to 499	5,262	0.17	£33.81	£30,000
500+	5,752	0.17	£33.81	£32,000
Total	1,474,207	-		£7,786,000

²² This is based on managing directors and senior officials (median hourly wage £25.64) as the equivalent for senior manager at micro employers, and HR managers and directors (median hourly wage £27.80) as the relevant senior staff at small to large employers.

Administration costs

Producing statement

Preferred option

34. The preferred option for issuing statements for the right to join a union is for the government to supply a standardised statement to employers for distribution. Employers with recognised unions will be required in addition to include relevant union details. We assume that all employers would take up to 10 minutes to download the standard statement provided by government, which would produce the same estimate as the familiarisation costs, of **£7.8 million**.

35. While employers who have recognised unions are required to provide the relevant details, only a minority of employers have recognised unions²³. Many of these employers, particularly smaller ones with recognised unions, as well as some larger organisations, typically have only one recognised union²⁴. This has been taken into account into the estimated average time required, which has been set conservatively. Some employers with recognised unions already provide information to their workers on joining a union, and their recognised unions (potentially in cooperation with the unions) so could potentially continue with the approach they are currently taking. If unions are content with their current approach, it is unlikely to be found problematic under the proposed enforcement approach, which is set out below.

Alternative option

36. As noted above, the alternative option for producing the statement would require employers to draft their own statement, but would enable compliance if the statement comprised the key information that the government set out. This will likely involve a one-off cost of employers drafting their own statement.

37. It is assumed that micro and small employers, especially those with 20 or fewer staff, would likely use the government's model statement to ensure compliance, as few have union members or recognised unions and managers usually interact directly with workers. Potentially, where small employers have more than 20 workers and therefore could face statutory recognition applications, they may choose to draft a more employer specific statement. However, this is likely to depend on factors such as industry and the state of workplace relations.

38. Medium-sized and large employers are more likely to want to draft a more employer specific statement of the right to join a union. These employers are more likely to have union presence in the workforce and recognised unions, especially among employers with 250 or more workers. The potential advantages of unionised worker voice, such as collective workplace representation, may be more apparent to employees in these organisations²⁵.

²³ DBT analysis of the Management and Wellbeing Practices Survey [Management and Wellbeing Practices Survey - NIESR](#)

²⁴ As above

²⁵ There is likely to be a management hierarchy, more of a distance between senior management and workers, and more workers doing similar activities where common grounds for collective rights can be readily identified.

39. Employers without union recognition may have other formal methods for worker engagement and if drafting their own statement based on the standard template could clarify how these relate to union membership.

40. As suggested above, we assume that in order to comply as simply as possible, micro employers and employers with 10 to 19 workers will essentially download the model statement provided by the government and save it as a document to use as their version of the statement. As indicated above, we estimate that this will take up to 10 minutes (depending on basic IT skills). We estimate that some employers with 20 to 49 workers will follow a similar approach, while some will draft their own statement based on the key information. In line with the estimates for time taken to draft employer specific amendments to written statements of employment particulars in the Contractual Duties of Confidentiality Relating to Harassment and Discrimination IA, we estimate that it would take such an employer up-to 1 hour to draft their own statement. As only a proportion of employers with 20 to 49 workers will wish to make the statement more specific to their own workplace relations, on average we estimate half an hour of time for this size of employer. We assume that all employers with 50 to 249 workers will draft their own statement, building on the key information to make it more specific to their organisation, at an average of 1 hour of time. For employers with 250 or more workers, we assume it would take 2 hours on average to draft their own statement, including the key information, on the right to join a union. This is because we expect (based on some feedback from HR managers) it would take longer for the hierarchy of management in larger organisations to arrive at a cleared version of the statement that they were content to share with workers. To take account of this to some extent, we use the hourly labour costs for Senior Managers and Directors to estimate micro employer costs, and for small to large employers we use the hourly labour costs for HR Managers and Directors. This produces an overall cost estimate of **£10.57 million**.

41. We will use responses to the consultation to assess the assumptions used.

Table 2: estimated costs of obtaining or drafting a statement of the right to join a union, alternative option

Size of Employer	Number of employers	Hourly labour cost	Average time taken (hours)	Estimated cost (£m)
Micro employers	1,192,196	31.19	0.17	6.20
10 to 19 workers	147,204	33.81	0.17	0.83
20 to 49 workers	81,794	33.81	0.5	1.38
50 to 249 workers	41,999	33.81	1	1.42
250 to 499 workers	5,262	33.81	2	0.36
500+ workers	5,752	33.81	2	0.39
Total				10.57

Cost of informing new workers of their right to join a union

42. As discussed above, the Employment Rights Bill requires that new workers receive their statement of their right to join a union at the same time as their written statement of employment particulars.
43. The government is consulting on whether this should be provided directly (the preferred option) along with the other documents. On this basis, we assume that employers will save the statement with their written statement documentation, to be printed out and distributed to new workers as and when required. We have therefore not costed any additional expenditure for this.
44. The alternative option being consulted on would also allow employers to make this information available indirectly. If this option was chosen, we would assume that employers would set up the indirect communication as discussed for existing workers below, and this would be available for new workers as well. There would not be specific additional costs for making this available for new workers. However, this approach may make reduce the potential benefits of the policy as the information will not be presented directly to new workers.

Ongoing costs of informing employer's existing workers

45. Employers have a range of options for informing their existing workers of their right to join a union. The preferred option is that employers can choose between both indirect and direct communication methods. Other options being consulted on would either require communicating the information using a direct method on a prescribed basis, or enabling employers to use either direct or indirect methods, but if the latter they would need to inform their workers on a prescribed basis where the information was located.
46. We would expect that with the preferred option employers would choose indirect methods as they could place the information on their intranet, online portal or noticeboards as a one-off exercise, rather than having to regularly take active steps to communicate the information. DBT estimates from the Management and Wellbeing Practices Survey 2018 (MWPS) show that larger employers are much more likely to communicate in writing with all staff using multiple methods, while employers with 5 to 9 employees are more likely to use none of these methods.

Table 3: percentage of employers that use different methods of written communication regularly for all staff

Employee size (number of workers)	Regularly communicate with all workers by e-mail	Regularly communicate with all workers by noticeboard	Regularly communicate with all workers by intranet	Regularly communicate with all workers by newsletter
5 to 9	45.5%	43.3%	16.2%	13.3%
10 to 19	58.7%	53.7%	29.7%	19.9%
20 to 49	61.5%	66.6%	35.7%	35.8%
50 to 99	75.8%	81.6%	62.0%	62.6%
100 to 249	77.9%	84.4%	65.9%	69.4%
250 to 499	80.2%	87.0%	80.3%	80.6%
500+	87.1%	86.6%	88.0%	86.0%

Source: DBT estimates from Management and Wellbeing Practices Survey

47. The MWPS indicates that the vast majority of medium and large employers would be able to use an indirect approach. Most small employers and around half of employers with 5-9 workers would also be able to do so. If, we presume that employers will use a regular form of communication that is also low cost, we would assume that employers would choose an indirect form of communication, then e-mail, then newsletter or post. It may be that the first choice for micro employers and those with 10-19 workers would use a noticeboard as their primary non-urgent communication method for all workers, followed by the intranet – as they would likely have 1 prominent noticeboard. As employers get larger, where they are used intranets or staff portals are more likely to be the first choice for communicating non-urgent information to all workers; workspaces are likely to be spread over wider areas, and there is less likelihood of a single focal point for staff where 1 noticeboard could operate as an effective communication method for all staff.

48. We use the information from the MWPS to estimate the methods the employers could use, starting with a lead indirect method and then going through the remaining methods (discounting where an employer also uses a method already accounted for). Where an employer does not use any of these four approaches to communicate with their workers we assume they would use printed copies (with larger employers having an internal postal system).

49. For micro employers with 1 to 4 workers we assume that very few would have an intranet or staff portal, or use a newsletter (or potentially a noticeboard). It seems reasonable that they may communicate by e-mail with their workers (though maybe using the worker's personal e-mail or phone for texts rather than the worker necessarily having work IT). Otherwise, they are likely to use internal post (or printed hard copies) for written communication. Therefore, they are less likely to have an indirect communication method available.

50. We therefore assume the channel of communication method used by size of employer would be as follows:

Table 4: Estimated proportion of employers using each method to communicate statements to existing staff – indirect and direct methods

Employer size (number of workers)	Percentage using intranet/portal	Percentage using noticeboard	Percentage using e-mail	Percentage using newsletter	Percentage using post
1 to 4	0.0%	0.0%	45.5%	0.0%	54.5%
5 to 9	4.6%	43.3%	20.2%	1.2%	30.7%
10 to 19	11.0%	53.7%	18.2%	0.3%	16.8%
20 to 49	35.7%	39.4%	12.7%	0.6%	11.6%
50 to 249	63.4%	26.1%	4.9%	0.6%	5.0%
250 to 499	80.3%	14.0%	2.1%	0.6%	3.1%
500+	88.0%	3.6%	3.7%	1.0%	3.7%

51. Under the options where a direct method of communication is required the assumed distribution is estimated by using MWPS data for direct communications only, and taking the easiest, lowest cost option available and then calculating the new percentages for the direct communication methods used:

Table 5: Assumed percentage of employers that would use method to communicate statement to existing staff – direct methods only

Employer size (number of workers)	Percentage using e-mail	Percentage using newsletter	Percentage using post
1 to 4	45.5%	0.0%	54.5%
5 to 9	45.5%	3.7%	50.7%
10 to 19	58.7%	3.4%	37.9%
20 to 49	61.5%	7.6%	30.9%
50 to 249	76.6%	11.6%	11.9%
250 to 499	80.2%	13.0%	6.8%
500+	87.1%	5.0%	7.9%

52. We estimate that it would take the following times to carry out the various communication methods. We would assume that for micro employers the person leading on the activity it would be the equivalent of a Senior Manager or Director, while for small to large employers we assume it would be the equivalent of an HR Director or Manager (in the interests of proportionality). The estimates are potentially conservative given that the employer will already have a version of the statement signed off for distribution

- E-mail – up to 10 minutes
- Printing and posting, or organising document to be distributed by internal post – 10 minutes
- Creating new intranet or employer portal page – 20 minutes

- d. Using similar software to include a section within an existing newsletter – 20 minutes
- e. Printing and attaching to a noticeboard – up to 10 minutes (for micro and small employers) - more for larger employers

53. Where printed hard copies are used to provide the statement to workers there would be some printing costs of paper (such as ink, paper and envelopes). Based on rates quoted on commercial websites we estimate that the extra cost per person of internal postal distribution would be 23p²⁶. For hardcopy noticeboards the costs of printing would add an additional 17p per document. For newsletters, which we also assume are hardcopy (or else they are covered under e-mail or intranet) we assume the employer is using an existing regular newsletter, so there is no additional cost of printing and distribution, as this would already be happening. For printing costs for post we use the estimated average employee numbers per employer, by employer size, from the Business Population Estimates 2024²⁷ for the UK to estimate the overall costs by employer size.

Table 6: estimated average number of workers per employer, by sizeband – based on Business Population Estimates for UK 2024

Employer size	Average number of workers
1 to 4	2.3
5 to 9	6.5
10 to 19	13.5
20 to 49	30.2
50 to 249	101.6
250 to 499	347.3
500+	2,699.7

54. Our estimated unit costs per employers per communication form are set out below:

²⁶ From commercial websites accessed on the 20th and 23rd June 2025, we estimate that the cost of a page of A4 and an envelope could be 9p. The cost of an office laser printer cartridge set per page (based on the cartridges lasting for 700 pages as indicated on the website) would be 14p – meaning the unit cost of printing and enveloping a page is 23p.

²⁷ [Business population estimates 2024 - GOV.UK](https://www.gov.uk/business-population-estimates-2024)

Table 7: estimated unit cost per different method of communicating statement on the right to join a union

Method	Hourly labour cost	Time taken (hours)	Other costs (printing, e-communication)	Total (£)
E-mail – micros	£31.19	0.17	Not applicable	£5.20
Printed copy – micro	£31.19	0.17	Print / envelope costs per worker = £0.23 x number of workers	£5.20 + £0.23 x number of workers
Newsletter – micro	£31.19	0.33	Not applicable	£10.40
Online portal/ intranet – micro	£31.19	0.33	Not applicable	£10.40
Noticeboard – micro	£31.19	0.17	Print costs = £0.17	£5.20 + £0.17 = £5.34
E-mail – other employers	£33.81	0.17	Not applicable	£5.64
Newsletter – other employers	£33.81	0.33	Not applicable	£11.27
Online portal / intranet – other employers	£33.81	0.33	Not applicable	£11.27
Noticeboard – other employers	£33.81	0.17	Labour and Print costs (= £0.17) x number of noticeboards	(£5.64 + £0.17) x number of noticeboards
Printed copy – other employers	£33.81	0.17	Print / envelope costs per worker = £0.23 x number of workers	£5.64 + £0.23 x number of workers

55. Most of the unit costs per employer are therefore low, though producing a printed copy and distributing via an internal post system becomes increasingly expensive as the size of employer increases. Using the hard copy noticeboard method would also see additional cost for medium and large employers which are likely to have more than one workplace. ONS's UK Business: Activity, Size and Location 2024 published the following information based on VAT and PAYE registered businesses which includes some with zero workers.

Table 8: estimated number of workplaces per business, ONS, 2024

Size (number of workers)	1	2 to 4	5 to 9	10 to 19	20 or more	Total
Business	2,666,720	45,460	6,990	2,850	2,750	2,724,770
Local units	2,666,720	108,420	44,395	37,840	316,280	3,173,655
Average number of local units per business	1	2	6	13	115	

56. Combining these data with our employer population estimates, we can estimate how many workplaces employers have by size of employer. We have assumed that the largest employers will have the most workplaces which would give a broadly accurate picture. On this basis, we arrive at the following average numbers of workplaces per size of employer.

- a. For micro and small employers = 1
- b. For employers with between 50 and 249 workers = 3
- c. For employers with between 250 and 499 workers = 6
- d. For employers with more than 500 workers = 62

Costs of communication information to existing workers: Option 1

57. Applying all these data we arrive at the following cost of the initial communication to existing workers of the statement of a worker's right to join a union for Option 1.

Table 9: Estimated cost of carrying out first communication to existing workers, Option 1

Employer size (number of workers)	Number of employers	Unit cost Calculation	Unit cost estimate (£)	Total £m
1 to 4	915,961	$0.455 \times £5.20 + 0.545 \times £5.74$	5.49	5.0
5 to 9	276,235	$0.433 \times £5.37 + 0.046 \times £10.40 + 0.202 \times £5.20 + 0.012 \times £10.40 + 0.307 \times £6.70$	6.04	1.7
10 to 19	147,204	$0.537 \times £5.81 + 0.11 \times £11.27 + 0.182 \times £5.64 + 0.003 \times £11.27 + 0.168 \times £8.74$	6.89	1.0
20 to 49	81,794	$0.394 \times £5.81 + 0.357 \times £11.27 + 0.127 \times £5.64 + 0.006 \times £11.27 + 0.116 \times £12.58$	8.55	0.7
50 to 249	41,999	$0.261 \times £17.42 + 0.634 \times £11.27 + 0.049 \times £5.64 + 0.006 \times £11.27 + 0.05 \times £29.01$	11.97	0.5
250 to 499	5,262	$0.14 \times £34.83 + 0.802 \times £11.27 + 0.021 \times £5.64 + 0.006 \times £11.27 + 0.031 \times £85.52$	16.75	0.1
500+	5,752	$0.036 \times £359.96 + 0.88 \times £11.27 + 0.037 \times £5.64 + 0.01 \times £11.27 + 0.037 \times £626.58$	47.32	0.3
Total				9.27

58. Potentially it should be low cost for most employers to carry out the communication of the right to join a trade union to their existing workers. We estimate that unit costs do rise slightly where large employers primarily rely on post or hardcopy noticeboards to communicate with workers, though this mainly relates to the number of workers or workplaces. As larger employers can predominantly make use of digital communication methods, generally the costs of communicating the information would remain low per employer. Therefore we estimate that the overall cost of the first iteration of the communication of the information to existing workers under Option 1 is **£9.3 million**.
59. Option 1 requires that existing workers are informed of their right to join a union on an annual basis. However, as consistently available indirect communication is allowed, only where employers use direct communication (that is e-mail, newsletters or post) would employers need to distribute the message every year. We therefore estimate the ongoing cost of communicating the information to existing workers following the initial communication at **£6.7 million a year**.

Table 10: Estimated cost of carrying out communication to existing workers in year 2 onwards, Option 1

Employer size (number of workers)	Number of employers	Unit cost Calculation	Unit cost estimate (£)	Total cost (£m)
1 to 4	915,961	$0.455 \times £5.20 + 0.545 \times £5.74$	5.49	5.0
5 to 9	143,881	$0.387 \times £5.20 + 0.023 \times £10.40 + 0.590 \times £6.70$	6.20	0.89
10 to 19	51,963	$0.515 \times £5.64 + 0.009 \times £11.27 + 0.476 \times £8.74$	7.17	0.37
20 to 49	20,290	$0.511 \times £5.64 + 0.023 \times £11.27 + 0.466 \times £12.58$	9.00	0.18
50 to 249	4,401	$0.468 \times £5.64 + 0.056 \times £11.27 + 0.476 \times £29.01$	17.08	0.08
250 to 499	301	$0.362 \times £5.64 + 0.098 \times £11.27 + 0.540 \times £85.52$	49.33	0.01
500+	484	$0.438 \times £5.64 + 0.119 \times £11.27 + 0.443 \times £626.58$	281.52	0.14
Total				6.70

Costs of communicating information to existing workers: Option 2

60. Option 2 involves a number of sub-options:

- a. Allowing indirect and direct communication with no reminder required for indirect communication – but direct communication carried out every 6 months
- b. Allowing indirect and direct communication with no reminder required for indirect communication – but direct communication carried out on a sector specific basis (those employers in sectors identified at risk of non-compliance having to inform existing workers more frequently than other employers)
- c. Allowing direct communication methods only carried out every 6 months
- d. Allowing direct communication methods only carried out annually
- e. Allowing direct communication methods only – but carried out on a sector specific basis (those employers in sectors identified as at risk of non-compliance having to inform existing workers more frequently than other employers)
- f. Allowing indirect and direct communication with a reminder required for indirect communication – with direct communication and reminders carried out every 6 months
- g. Allowing indirect and direct communication with a reminder required for indirect communication – with direct communication and reminders carried out annually
- h. Allowing indirect and direct communication with a reminder required for indirect communication – but direct communication and reminders carried out on a sector specific basis (those employers in sectors identified as at risk of non-compliance having to inform existing workers more frequently than other employers).

61. For **Option 2a**, the estimates above suggest that the costs for the first year would be £9.3 million + £6.7 million = **£16.0 million**. The cost for subsequent years would be £6.7 million x 2 = **£13.4 million**.

62. For **Option 2b**, the estimates would depend on the frequency required for the communication of the information. If we assume that this would be six-monthly for those employers in sectors identified as high risk by the DLME, and annually for other employers, then the costs would be slightly higher than for Option 1 as a small proportion of employers would need to provide the information on a 6-monthly basis.

63. For Options 2c, 2d and 2e, as direct communication methods are required then more employers may be required to use more costly methods, with all employers having actively communicate the information on a regular basis. Based on the information in Tables 5 and 7, we estimate that the cost for each iteration of the communication would be **£9.2 million**.

Table 11: Estimated cost of carrying out communication to existing workers, Options 2c, 2d – direct communication methods only, each iteration

Employer size (number of workers)	Number of employers	Average unit cost (£)	Total cost (£ million)
1 to 4	915,961	5.49	5.03
5 to 9	276,235	6.16	1.70
10 to 19	147,204	7.01	1.03
20 to 49	81,794	8.22	0.67
50 to 249	41,999	9.07	0.38
250 to 499	5,262	11.78	0.06
500+	5,752	54.83	0.32
Total			9.19

64. For **Option 2c**, where the frequency of communication of the information on the right to join a union to existing workers would be 6-monthly, the annual cost would be **£18.4 million**.

65. For **Option 2d**, where communication frequency would be annual, the annual cost in each year would be **£9.2 million**.

66. For **Option 2e**, as with Option 2b, we assume that the annual cost would be slightly higher than Option 2d as a small proportion of employers would need to communicate the information on a 6-monthly basis.

67. For Options 2f, 2g and 2h employers would be able to provide the information on the right to join a union to their existing workers indirectly or directly, as with Options 1, and Options 2a and 2b. However, where the information was provided indirectly, employers would need to remind their workers where the information could be accessed. If the reminder involved including a short sentence on an existing regular communication, then the additional costs would be low. We estimate that it would on average take 1 minute to add a basic sentence setting out where the information was stored. With this approach, the cost would be around **£0.2 million** each time a reminder was required.

Table 12: Estimated additional cost of sending reminders contained in existing regular communications to where indirectly communicated information on the right to join a union is stored

Employer size (number of workers)	Number of employers providing information indirectly	Total cost (£ to nearest 000)
1 to 4	0	0
5 to 9	132,354	69,000
10 to 19	95,241	53,000
20 to 49	61,504	34,000
50 to 249	37,598	21,000
250 to 499	4,961	3,000
500+	5,268	3,000
Total		183,000

68. On this basis, the communication costs for the Options 2f to 2h would be:
- a. Option 2f – for year 1, £16.3 million, for subsequent years £13.8 million
 - b. Option 2g – for year 1 £9.5 million, for subsequent years £6.9 million
 - c. Option 2h – slightly higher than the costs for Option 2g, as a small proportion of employers would need to send the information and reminders every 6-months (based on the assumptions we have made on this option).
69. If the reminder had to be sent as a separate communication, then the costs would move closer to those where only direct communication methods would be allowed.

Benefits from the policy

70. We are not able to monetise the potential benefits from the policy. All workers will be informed by their employer of the right to join a trade union. This is likely to increase awareness among workers, particularly in workplaces without union presence, and areas and industries with low union presence. As shown above, there is available evidence that many non-unionised workers are not well aware of what trade unions are or their role in collectively representing workers in workplace relations, or individually supporting workers in individual workplace disputes. Unions have also shared evidence that during recruitment campaigns with non-unionised workforces, it initially takes time to inform workers of what unions do, and how they can benefit workers, due to lack of awareness. While there is potentially a trade-off between direct and indirect communication methods in terms of impact on workers and ease of compliance for employers, this is likely to be heightened for those workers starting at an employer where direct communication could be most valuable in bringing awareness of this right to new workers.
71. Where workers feel they could benefit from independent collective organisation and representation within their workplace this is likely to lead to workers joining or starting unions and organising collectively. As shown above, there is evidence of demand for unionisation among non-unionised workforces. This will be helped by other policies that will commence at similar times, such as the right for unions to statutory access to workplaces, and reforms to statutory union recognition processes and facility time regulations.
72. There are potential benefits for workers from having a unionised collective worker voice. This can partly be from having some collective power to advocate and negotiate to protect and improve terms and conditions. Evidence from a literature review by NIESR of the impacts of trade unions suggests that having collective unionised worker voice can help improve workers' terms and conditions, access to training and effective resolution of individual workplace disputes, limit wage inequality and improve access to equal opportunities²⁸. There are potential employer benefits from better staff retention and better resolution of individual disputes, and from a better trained workforce. Some analyses, for instance from the University of Cambridge (Deakin et al, 2024), suggests reforms increasing employee representation and collective worker power can have longer term benefits on productivity, as well as positive effects on employment and unemployment²⁹.

²⁸ [NIESR added value of trade unions literature review new format .docx \(niesr.ac.uk\)](#)

²⁹ Digital Futures at Work Research Centre. '[The economic effects of changes in labour laws: new evidence for the UK](#)'. 2024.

Summary

73. See table 13 for the estimated costs of informing employees of the right to join a trade union. Employer costs cover the costs to all employers including those in the public sector. Business costs exclude those for the public sector, and are calculated by splitting the costs between public sector and the combined private and non-profit sectors using data from the Business Population Estimates 2024.

Table 13: Summary of costs for the different options for all employers and for businesses (private and non-profit sectors)

Cost element	Overall employer cost (£m)	Estimated Business Cost (£m)
One-off cost: Familiarisation	7.8	7.7
One-off cost: preparing documentation to send to new workers: standard statement	7.8	7.7
One-off cost: preparing documentation to send to new workers: employers drafting own statement	10.6	10.3
Distribution cost: Option 1 (indirect communication with no reminder or annual direct communication, (year 1)	9.3	9.1
Distribution cost: Option 1 (subsequent years)	6.7	6.6
Distribution cost: Option 2a (indirect communication with no reminder, 6-monthly direct communication) (year 1)	16.0	15.8
Distribution cost: Option 2a (subsequent years)	13.4	13.3
Distribution cost: Option 2b (indirect and direct communication -sector specific frequency – assumed 6-months or annual	Between Options 1 and 2a – closer to Option 1	As in column 2
Distribution cost: Option 2c (6-monthly direct communication only) (annual)	18.4	18.1
Distribution cost: Option 2d (annual direct communication only) (annual)	9.2	9.1
Distribution cost: Option 2e (sector specific frequency direct communication only) (annual)	Between Option 2c and 2d – closer to Option 2c	As in column 2
Distribution cost: Option 2f (indirect communication with reminder, 6-monthly direct communication) (year 1)	16.3	16.2
Distribution cost: Option 2f (subsequent years)	13.8	13.6
Distribution cost: Option 2g (indirect communication with reminder, annual direct communication) (year 1)	9.5	9.3
Distribution cost: Option 2g (subsequent years)	6.9	6.8
Distribution cost: Option 2h (indirect and direct communication -sector specific frequency – assumed 6-months or annual	Between Options 2f and 2g – closer to Option 2f	As in column 2

74. These estimates produce the following monetised costs for Total Net Present Social Value (NPSV) and Equivalised Annual Net Direct Cost to Business (EANDCB) at 2025 prices and Base Year:

Table 14: Estimated summary costs for the options consulted on

Option	Employer drafted statement NPSV £m	Employer drafted statement EANDCB £m	Standard statement only NPSV £m	Standard statement only EANDCB £m
Option 1	-78.4	9.0	-75.6	8.7
Option 2a	-135.9	15.6	-133.1	15.3
Option 2c	-176.1	20.2	-173.3	19.9
Option 2d	-97.2	11.1	-94.4	10.8
Option 2f	-139.0	16.0	-136.3	15.7
Option 2g	-79.9	9.2	-77.2	8.9

75. The potential benefits from these proposed policy changes have not been monetised.

76. Overall, there is a higher cost from requiring more frequent communication of the statement. This is potentially over-burdensome with a 6-monthly frequency, as it is likely that the first communication has the most impact in increasing awareness among workers who were previously ignorant of their right to join a union. Having the information provided annually, or consistently accessible, would lower the costs of this policy to employers while enabling an employer's existing workers who become interested in worker representation to find out about union membership. A benefit of indirect communication is that the information remains available for workers who move from being uninterested to interested in union membership.

77. If providing a reminder on an annual basis of where information is on an intranet, online portal or noticeboard has small additional costs then it may have a slight additional benefit to workers. It could act as a trigger for individuals to act on what they had already been considering.

78. There are a number of benefits from government providing a standard statement of the right to join a trade union. It will allow most employers, without union presence to easily and quickly obtain the statement they are required to communicate to workers, reducing potential compliance costs. It ensures that all workers will get the same, consistent message. Given there is some evidence that some employers are hostile to trade unions, it ensures that the statement communicated is not written in a way aimed at discouraging workers to join a union.

Small and Micro Business Assessment

79. The government does not consider an exemption for these businesses as appropriate or proportionate. As shown above, we estimate that small and micro employers should be able to carry out the Employer Duty at a very low unit cost per employer. Similarly, those

with between 50 and 499 workers will generally have an option available at low unit cost per employer of carrying out the duty. The printed copy option will have higher employer costs for those with high numbers of workers that rely on internal post to communicate with workers, but for those employers that rely on this system the cost, it would be a standard formal all staff communication.

80. While micro employers with just one or two staff may not be ideal organisations for collective worker organisation and negotiation in the workplace, the potential to benefit from union agreed industry standards for pay and terms and conditions or other services that unions provide may be valuable for the worker. Workers with micro employers could also benefit from union support in individual workplace disputes. So even at this size of employer, workers could benefit from being informed of their right to join a union, and potentially from being members of a union.
81. Because most employers are micro businesses followed by small businesses, a large proportion of the costs do fall on micro and small businesses. We estimate that micro and small employers are less able to make use of indirect communication. However, it is possible that some employers with 1 to 4 workers do have noticeboards or a shared digital file system which would facilitate indirect communication.
82. By making a standard statement available the costs for micro and small employers should be minimised.

Assumptions and Risks

83. The two main assumptions that influence the overall cost estimates are the channel of communication method, and the costs allocated to the use of those communication methods.
84. The channel of communication method is based on data from the 2018 MWPS, which was a survey of employers. If the communication methods available to employers has changed since then it is likely to have moved in the direction of more digitised communication. This would be likely to reduce costs. The data suggests that the use of such communication methods across employers is plausible – but employers have different preferences for these methods. Generally, the estimated costs are quite close except for those involving hardcopy distribution in larger employers (which would seem unlikely to be the preferred choice if the employer had alternative options). It is therefore unlikely that the costs would differ substantially if the distribution of methods varied slightly.
85. The estimated costs associated with various distribution methods -such as email, intranet, or printed individual documents -are informed by informal consultations with individuals engaged in these operational processes. We assume at this stage that employers have a signed off statement, so the distribution will be more about technical processes than ensuring the messaging is correct. As we have estimated, it is more likely that larger employers will draft their own version of the statement of the right. It should be a short statement based around a standard version, so drafting and clearing the statement should not generally be overly complex.

Enforcement

86. The policy would be enforced in the same way that failure to provide a written statement of employment particulars is addressed (as set out in Section 38 of the Employment Act 2002)³⁰. This would mean that a worker would need to be bringing a substantive claim to the employment tribunal under one or more of the jurisdictions listed in schedule 5 of the Employment Act 2002 (which includes jurisdictions relating to trade union rights, unfair dismissal, breach of contract, unauthorised deduction of wages among others). If, at the time the claim was brought, the employer was still in breach of the duty to inform their workers of their right to join a union, the worker may be eligible for an award, or an increase to the award already being made, (between 2- and 4-weeks' pay) in respect of the failure to comply with their obligation to inform the worker of their right to join a trade union. It is unclear at this stage what impact this would have on early conciliation and employment tribunal claims. Predominantly, it is likely to feature only when workers feel it can be added to existing claims, as opposed to being a driver for bringing claims in other jurisdictions.

Wider Impacts

87. The policy is designed to ensure all workers are informed about their right to join a trade union. It is not expected to have any negative impacts on individuals. Trade unions have statutory rights to represent workers in the workplace, so union membership is primarily relevant to workers. The policy will benefit workers who are not trade union members (who will already be aware of their right to join a union), and those who are not in a workplace where there is a recognised trade union (though potentially some workers in these workplaces will not be aware of the union or their rights to join). While women workers, those of black or white ethnicity, older workers, and workers with a disability are more likely to be union members than workers overall, in all cases it is a minority of these groups that would be union members³¹. Therefore, there is likely to be a broad benefit across the worker population, including in all the protected characteristics groups. As workers will not be required to take any action, no burden is being placed on them. If workers choose to join a union and organise collectively, the evidence is broadly positive that this will help to improve their terms and conditions (as discussed above).

³⁰ [Employment Act 2002](#)

³¹ [Trade union statistics 2024 - GOV.UK](#)

7. Regulatory scorecard for preferred option

Part A: Overall and stakeholder impacts

(1) Overall impacts on total welfare - categories	Overall impacts on total welfare – qualitative and quantitative assessment and monetised estimates	Directional rating Note: Below are examples only
Description of overall expected impact	Workers will have a greater awareness of their legal rights to join a trade union and as such will be empowered to decide whether unionised collective worker voice would be beneficial for them. Where workers consider it in their interest to join a union and organise collectively, increased worker voice is likely to improve workers' terms and conditions. Union membership and union recognition has declined substantially in the UK since the early 1980s, and there is a lack of awareness of the role of unions, and of the right to join a union. The decline in unionisation has contributed to a lower labour share in national income, and increased unionisation could help improve terms and conditions (reducing low paid and irregular work and jobs where terms and conditions are poor). Employers may also be motivated to further consider their workers' welfare if concerned about unionisation. There are costs to employers from familiarisation with the methods in which they can communicate the information to their employees, as well as administrative costs of distributing the content on the workers' right to join a union. We estimate that the costs per employer is generally low, especially where digital communication or indirect communication can be used. Where workers choose to unionise, employers could potentially benefit from stronger collective worker voices in the workplace. There is evidence this can improve worker retention, reduce costs of workplace disputes, improve product innovation and productivity.	Positive Based on all impacts (incl. non-monetised)
Monetised impacts	Only the costs to employers have been monetised, we have not been able to monetise the benefits. Option 1 where the employer is provided with a standard statement by the government, and distribute it to their existing workers indirectly, or annually if directly. Total £ NPSV £-75.6 million Option 2 a to h. There are 8 sub-options covering the different options being consulted on – principally split between: a) Standard statement only or employer drafted statement allowed	Negative Based on likely £NPSV

	b) Communication to existing workers by Indirect and direct methods, direct methods only, or indirect and direct methods with the former requiring regular reminders c) Direct communication and any reminders every six months, or annually, or sector specific (assumed in this analysis to be split between 6 months and annually) Options 2a, c, and f – which are based on a 6-month frequency of communication have Total NSPVs of between -133.1 million and -£176.1 million Options 2d and 2g – which are based on an annual frequency of communication have total NPSVs of between-£77.2 million and -£97.2 million. Options 2b, d and h – based on sector specific frequencies (in this analysis varying between 6 months and a year) – will be in-between those figures for Options 1, 2d and 2g and those for Options 2a, c and f. One-off familiarisation costs to employers are estimated at £7.8 million. There are also one-off costs for employers to prepare documentation for new workers of £7.8 million based on just using the model statement, or £10.6 million where employers have the option to draft their own version of the statement. Most of the costs are estimated to come from regular communication of the right to join a union to existing workers. Costs per employer are generally low for each communication – however using direct communication methods, especially hardcopy methods as employer numbers start to rise, will be more costly. The two biggest impacts on costs for the points being consulted on are the frequency of communication, with higher frequency driving up costs, and whether indirect communication methods can be used (which would enable employers to make the information consistently available, rather than having to make regular direct communications). Enabling employers to draft their own statement on the right may marginally increase costs under this analysis.	
Non-monetised impacts	Workers will have an increased awareness of their legal rights to join a trade union which may lead to an increase in workers joining trade unions and participating in organised collective worker voice in their workplace. This can have benefits to workers through improved terms and conditions and living standards, as well as improved worker retention and enhanced equality throughout the workforce for employers.	Positive
Any significant or adverse distributional impacts?	The impact of the policy will primarily depend on whether workers informed of their rights choose to join or start trade unions and organise collectively. There are potential distributional benefits that could arise from this policy should workers decide to join a trade union in response to their employers informing them of their legal right on a prescribed basis. It is most likely that any increase in unionisation is likely to primarily occur in the private sector, as union workplace presence and collective bargaining coverage is high already in the public sector.	Positive

	Other impacts could include a change in the age, gender and ethnicity distribution of those who are members of trade union members. Together, these distributional impacts could change the makeup of trade union members across Great Britain, and contribute to improved living standards particularly for lower wage households.	
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(2) Expected impacts on businesses - categories	(2) Expected impacts on businesses – qualitative and quantitative assessment and monetised estimates	Directional Rating
Description of overall business impact	Businesses would have to take on the additional administration of the Employer Duty to inform their workers of their right to join a trade union. We estimate that the administration cost for individual employers is generally very low. The primary impact on employers will therefore depend on the extent to which workers, once informed of their right, decide it would benefit them to organise collectively through a trade union. Operating alongside other reforms such as union statutory access to workplaces would lead to some increase in unionisation, and employers affected would need to adapt to increased collective worker voice, which potentially leads to improved terms and conditions to their workers, but also could lead to benefits to the employer (potentially on staff retention, reduced workplace inequality and productivity) depending partly on how the employer engages with union workers.	Uncertain
Monetised impacts	Only costs to employers have been monetised. Option 1 – the preferred option – has an estimated business NPV of -£74.9 million, and an EANDCB of £8.7 million Options 2a,c, f – (existing workers informed 6-monthly) – have an estimated business NPV of between -£131.9 million and -£173.6 million an EANDCB of between £15.3 million and £20.2 million Option 2d and g – (existing workers informed annually) – has an estimated business NPV of between -£76.4 million and -£95.8 million and an EANDCB of between £8.9 million and £11.1 million Options 2b,e and h – sector specific frequency of communication – in-between the comparable estimates for 6-monthly and annual frequencies As shown above, the cost to individual employers is expected to be low, employers will benefit from having a standard statement to use, and some may benefit from being able to use indirect communication methods (though estimates have assumed that the smallest employers would probably not use these methods).	Negative Based on likely business £NPV
Non-monetised impacts	Other impacts depend on the extent to which workers, once informed, decide they would benefit from joining or starting a union, and how that develops into union recognition and increased collective bargaining.	Uncertain

	Businesses can gain benefits from having an active collective worker voice in the workplace, with analyses suggesting this can range from better worker retention, reduced costs from individual workplace problems, reduced workplace inequality, improved worker training and productivity. Where a business becomes unionised (especially with recognition) the employer would have to adapt to take account of the collective worker voice.	
Any significant or adverse distributional impacts?	Primarily it is expected that the impact would be in the private sector where union membership and presence in the workplace is low – so a lack of awareness of the right to join a union is likely much higher. Union membership is relatively low in all English Regions, so there is the potential for this to increase across regions, but also potential for growth in the devolved Nations as well.	Uncertain

(3) Expected impacts on households - category	(3) Expected impacts on households – qualitative and quantitative assessment and monetised estimates	Directional Rating
Description of overall household impact	The policy will primarily make a difference by increasing awareness among workers of their right to join a trade union. The evidence suggests that there is potential interest among workers for unionisation, so this increase in awareness is likely to lead to some increased unionisation (and the introduction of statutory union access to workplaces will help to organise and develop this into recognition and more powerful worker voice). This is likely to lead to improved terms and conditions for workers –and potentially more access to training and career development, less pay inequality, better individual dispute resolution, and more family-friendly practices in the workplace³².	Positive
Monetised impacts	We have not monetised any potential impacts for households.	Neutral Based on likely household £NPV
Non-monetised impacts	As noted above, the proposed policy is likely to lead to some workers choosing to become unionised, and there are potential benefits to those workers and their households as identified at the start of this section. Potentially, some employers concerned about unionisation may also be encouraged to think about their offer to workers, which might also have some benefits to their workers. Recent analyses do not suggest a negative effect from union representation or enhanced rights to worker representation on employment³³.	Positive
Any significant or	There are potential distributional impacts.	Positive

³² [NIESR added value of trade unions literature review new format .docx \(niesr.ac.uk\)](#)

³³ [NIESR added value of trade unions literature review new format .docx \(niesr.ac.uk\)](#), Digital Futures at Work Research Centre. 'The economic effects of changes in labour laws: new evidence for the UK'. 2024.

adverse distributional impacts?	Based on data from the Employment and Skills Survey 2024 (ESS)³⁴ those workers aged 20-29 who are not in unionised workplaces are most interested in having unionised worker representation, followed by those aged 30-39. Similarly, workers in non-unionised workplaces in the Devolved Nations and northern English regions are slightly more interested in unionisation than those in the Midlands, with those interested in the South slightly below the UK average. There was also more interest in unionisation among LGBTQ+ workers in non-unionised workplaces and those with limiting health conditions than workers overall. It should be noted though that some of those interested may have some awareness of their right to join a union (there are stronger existing traditions of unionisation in the Devolved Nations and northern English regions for instance) so potentially the regional impact of this policy may be slightly different than estimated unmet demand for unionisation from the ESS. If younger workers, those with disabilities and LGBTQ+ workers are more likely to benefit from being informed of their right to join a union then there may be positive distributional impacts from unionisation, as younger workers and those with disabilities tend to have lower earnings.	
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Part B: Impacts on wider government priorities

Category	Description of impact	Directional rating
Business environment: Does the measure impact on the ease of doing business in the UK?	The proposed policy will impose a low cost administrative burden on employers, and therefore is unlikely to affect the business environment. Potentially, it may help to make workers who wish for a stronger collective voice in their workplace more aware of how they can achieve this. There are potential benefits as well as costs to employers from increased independent collective worker voice, as indicated by various research and reports referenced in this impact assessment. These partly depend on whether the employer and unionised workers have a cooperative workplace relationship. There are not likely to be any substantial negative impacts on the business environment. Some research suggests that unionised worker voice can have a positive impact on product and service innovation³⁵	Neutral

³⁴ Davies, R, Felstead, A, Gallie, D, Green, F, Henseke, G and Zhou, Y (2025) [Has the Tide Turned for Trade Unions?](#) Findings from the Skills and Employment Survey 2024, Cardiff: Wales Institute of Social and Economic Research and Data, Cardiff University.

³⁵ [NIESR added value of trade unions literature review new format .docx \(niesr.ac.uk\)](#), [Getting the Measure of Employee-Driven Innovation and Its Workplace Correlates - Felstead - 2020 - British Journal of Industrial Relations - Wiley Online Library](#)

International Considerations: Does the measure support international trade and investment?	The proposed policy does not impact international trade as it is compliant with international obligations and does not have any implications for trade partners or foreign businesses operating in the UK. Furthermore, the preferred option will not introduce requirements on foreign-owned companies that go above and beyond those which are UK-owned.	Neutral
Natural capital and Decarbonisation: Does the measure support commitments to improve the environment and decarbonise?	We expect that there is no or negligible impact on the environment, natural capital, and decarbonisation as a result of these proposed reforms. The regulation does not directly relate to environmental or decarbonisation goals	Neutral

8. Monitoring and evaluation of preferred option

89. A Post-Implementation Review (PIR) of this policy will be undertaken within 5 years following introduction. The PIR will summarise the evidence that we gather on the policy's effectiveness, as well as any learnings that can be applied to future policymaking.
90. Section 4 contains a Theory of Change map which includes high level expected activities, outputs, outcomes and impacts of the proposed policy. These will form the basis of the PIR.
91. The aim of the PIR will be to assess the impact of the policy change considering the policy objectives and any unintended consequences. This will cover:
- Whether employers are providing a statement of the right to join a union to their new and existing workers – looking at size of employer, sector and industry
 - How employers are providing the statement
 - What impact the statement has on workers:
 - Does it help their understanding of their rights
 - Are they motivated to consider the merits of joining a union
 - Do they join a union, get involved in organisation etc
 - Are there difficulties for employers in complying with their duty to provide the statement
 - Are there any issues for workers in receiving the statement
 - Has there been any increase in union membership by size of employer, sector and industry
 - Is there any evidence of failure to comply with the employer duty to provide a statement of the right to join a union.
92. There are no regular data sources on employer communication with their workforces, or on worker awareness of their right to join a trade union. Primarily, monitoring will be

through reviewing employment tribunal complaints (enforcement activity), any correspondence on the issue and by regular data on trade union membership. The key indicators would be:

- a. employment tribunal complaints that include the employer duty jurisdiction (potentially looking at outcomes as well as number of complaints)
- b. Whether trade union membership increased, and changes in trade union membership demographics

93. We would aim to collect data on surveys of employers and workers to get some of the information for the PIR, with further information coming from engagement with relevant stakeholders (including employers, business representative groups, trade unions). The possibility of collecting quantitative data on existing surveys will be investigated, but potentially new surveys would need to be developed.

94. As the policy is being consulted on, we would expect any issues with unforeseen administrative costs for employers to be raised during the consultation so that they can be addressed in the final preferred policy. It is unlikely that there would be any unforeseen costs to households resulting directly from this policy, as they will be just receiving information from their employer which they can choose to act on if they think it will be beneficial. Correspondence or other liaison with employer representatives after implementation would enable them to raise any issues with the policy. The PIR would likely include a consultation to gather evidence of impacts.

95. The state of the labour market and the economy will have an influence on whether workers being more aware of their right to join a union leads to increased union membership and unionisation. Also, other trade union reforms related to the Employment Rights Bill, particularly statutory union access to workplaces, may play a role in encouraging increased unionisation. Therefore, identifying the specific impact of any one policy on any resulting changes will be difficult to do.

96. It may be proportionate, given the estimated costs and the difficult to predict impacts, to focus on quantitative data we can collect and stakeholder engagement for the policy evaluation. However, if this evidence points to a need for further analysis then potential additional research may be possible. This could investigate whether the Employer Duty led to better informed workers, whether this affected unionisation, and whether this was linked to union workplace access could be collected.

9. Minimising administrative and compliance costs for preferred option

97. The proposed policy options are designed to give employers inexpensive options that will enable them to comply with the Employer Duty, such as including a standard statement option they can use, and various distribution mechanisms such as e-mail or other digital options. The consultation will enable employers to identify any potential problems in terms of cost or administrative burden that the current policy options do not address. These will be considered when developing the final policy option.

Declaration

Department: Department for Business and Trade

Contact details for enquiries: ERDAnalysisEnquiries@businessandtrade.gov.uk

Minister responsible: Kate Dearden MP, Minister for Employment Rights and Consumer Protection

I have read the Options Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

A handwritten signature in blue ink that reads "Kate Dearden." The signature is written in a cursive style with a period at the end.

Signed:

Date: 21/11/2025

Summary: Analysis and evidence

For Options Assessment, it is not a requirement to complete all the below, but please complete as much as you can where possible.

Price base year: 2025

PV base year: 2025

Description	1. Business as usual (baseline)	2. Preferred way forward (if not do-minimum) Annual informing of existing workers – indirect and direct methods allowed	3. More ambitious preferred way forward – Options 2a, c, f 6-monthly informing of existing workers	4. In-between ambitious preferred way forward – Options 2d, g - annual informing of existing workers – direct methods only or direct and indirect with reminder	5. other ambitious preferred way forward – Options 2b,e,h– Sector specific frequency for informing existing workers
Net present social value (with brief description, including ranges, of individual costs and benefits)	No change, potential worker unawareness of right to join a union may work to help keep unionisation low in the workplace	-£75.6 million This is based on one -off costs (familiarisation, preparing documentation for new starters) of £16 million, plus ongoing costs of £9.3 million for the first annual iteration for existing workers and £6.7 million for subsequent	-£133.1 million to -£176.1 million – depending on which communication methods can be used). One-off costs as preferred option, ongoing annual costs for informing new workers (One-off costs £16million to £18 million in – depending on	-£77.2 to -£97.2 million – depending on which communication methods can be allowed. One-off costs as in Column 4, ongoing costs for informing existing workers work out at around £9.5 million in year 1 and £6.9 million in	We have assumed that a small number of DLME identified sectors would need more frequent communications (6-months) – so the costs would be between those for 6-monthly and annual frequency of communication as set out in the other columns

		iterations. The one-off costs are based on employers using a government produced standard statement Benefits haven't been monetised.	whether employers can draft their own statements). Ongoing costs of around £16m in year 1 and between £13 million and £14 million in subsequent years, or £18 million each year. Benefits have not been monetised.	subsequent years or £9.2m each year. Benefits have not been monetised.	
Public sector financial costs (with brief description, including ranges)	No public sector financial costs	Estimated one-off costs £0.1 million, Estimated ongoing annual costs £0.1m – for activities described in NPSV section.	Estimated one-off costs £0.1m to £0.3 million, Estimated ongoing annual costs £0.2m then £0.1m or £0.3 m each year – for activities described in NPSV section.	Estimated one-off costs as in Column 4. Estimated ongoing annual costs £0.1m – for activities described in NPSV section.	As above
Significant un-quantified benefits and costs (description, with scale where possible)	Workers who may be interested in having greater collective worker voice in their workplace may be unaware of being able to unionise	Workers interested in greater workplace worker voice will be aware of how to achieve this through unionisation, so unionisation likely to increase with benefits to workers	Workers interested in greater workplace worker voice will be aware of how to achieve this through unionisation, so unionisation likely to increase with benefits to workers	Workers interested in greater workplace worker voice will be aware of how to achieve this through unionisation, so unionisation likely to increase with benefits to workers	Workers interested in greater workplace worker voice will be aware of how to achieve this through unionisation, so unionisation likely to increase with benefits to workers
Key risks (and risk costs, and optimism bias, where relevant)	Workers unaware of their rights to unionise may not be able to improve	The main risk is the distribution of employers' communication	As in column 4. Plus – we have estimated reminders as being	As in column 4.	As in Column 4 – also have assumed in this analysis that a small proportion

	their workplace terms and conditions	methods with their workers – we have applied data from the MWPS – it is likely that the move since then is towards more digitisation and reduced costs for individual communications. We have assumed the large number of very small employers do not use indirect communication methods for workers – which adds to ongoing costs. Some employers may already inform workers of their right to join a union, so they might already be compliant with the policy	able to add a sentence to existing regular communications, but if something else is required this would move costs towards those for direct methods only		of employers in the sectors identified would need to communicate the statement every 6 months, with the rest of employers on an annual cycle – if different frequencies used the costs could vary substantially. Also, employers could become confused as to whether they were included in the DLME nominated sectors, which may change on a regular basis, which could undermine this option.
Results of sensitivity analysis	N/A	The primary sensitivities to the costs analysis are the time taken to obtain and distribute the information, and	As in column 4.	As in column 4.	

		the distribution method used. Potentially, the time taken could be reduced after the initial production of the communication, reducing ongoing costs. Also, if employers increasingly use digital communication with workers (especially among larger employers) then annual costs could also fall.				
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