

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

<b>Lead department</b>	Department for Business and Trade
<b>Summary of proposal</b>	The Department for Business and Trade proposes to legislate for the specifics of how a new duty for employers to provide a written statement to new workers of their right to join a trade union and to inform all workers of their rights to join a trade union on a prescribed basis should be conducted.
<b>Submission type</b>	Options Assessment – 09/10/2025
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<b>Date of issue</b>	12 <sup>th</sup> November 2025

## RPC opinion

<b>Rating<sup>1</sup></b>	<b>RPC opinion</b>
<b>Fit for purpose</b>	The Options Assessment (OA) is broadly robust but would benefit from clearer links between the problem and the proposed intervention, stronger evidence, more systematic option appraisal, and greater detail in both justification and evaluation plans.

<sup>1</sup> The RPC opinion rating is based only on the robustness of the rationale, options identification (including SaMBA) and justification for preferred way forward, as set out in the [Better Regulation Framework guidance](#). RPC ratings are fit for purpose or not fit for purpose.

## RPC summary

Category	Quality <sup>2</sup>	RPC comments
Rationale	Green	The OA outlines that information gaps may contribute to low unionisation and associated labour market issues. The strategic case would benefit from clearer links between the identified problem, the need for secondary legislation, and the options appraised. The OA cites some data but more robust evidence on how a lack of awareness contributes to the problem would improve the OA. The objectives are clear but could be improved by setting measurable targets and timelines.
Identification of options (including SaMBA)	Green	The OA provides a relatively broad identification of options but could be more systematic and transparent, and would also be improved by exploring alternatives to regulation in more detail. The justification for shortlisted options is limited and could be strengthened by linking to SMART objectives and critical success factors. The SaMBA is sufficient, with a rationale for not exempting small and micro businesses, but more detail on the relative impacts on small and micro business and on the impacts of exempting them would be beneficial.
Justification for preferred way forward	Green	The OA provides justification for the preferred way forward that is reasonable and proportionate quantitative assessment of costs, and a transparent qualitative assessment of benefits. The OA is open about its limitations, particularly the absence of monetised benefits, and relies on qualitative judgement to support the case for intervention.
Regulatory Scorecard	Satisfactory	The OA provides a balanced view of the expected costs and benefits, with clear acknowledgement of uncertainties and limitations. The overall assessment is that the policy is likely to have a positive impact on social welfare, with minimal negative effects on business or individuals.
Monitoring and evaluation	Weak	The OA includes a monitoring and evaluation plan that is comprehensive in intent, aiming to use multiple data sources and methods. The

<sup>2</sup> The RPC quality ratings are used to indicate the quality and robustness of the evidence used to support different analytical areas. The definitions of the RPC quality ratings can be accessed [here](#).

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OA contains a clear commitment to assessing both compliance and outcomes, but some key practical details (such as data collection feasibility and indicator mapping) are not specified. It is not clear how the Department will determine by how much worker awareness has increased, over the situation now.

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## Summary of proposal

The Department for Business and Trade proposes to legislate for the specifics of how a new duty for employers to provide a written statement to new workers of their right to join a trade union and to inform all workers of their rights to join a trade union on a prescribed basis should be conducted. The duty was included in the Employment Rights Bill as part of a broader set of Trade Union legislation reforms. The proposal is intended to improve worker representation and industrial relations by addressing a perceived information gap viewed as contributing 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.

The OA includes points of consideration for how the duty could be carried out. These cover a) form, b) whether employers draft their own statement, c) content, d) manner of delivery, and e) frequency. Within these points of consideration, the OA sets out how variable each point of consideration could be, based on what was legislated for in the Employment Rights Bill and what the Government considers to be appropriate. DBT covers options for these points that were considered but not included in the consultation, with two for d) manner of delivery and three for e) frequency. These are effectively longlist options that DBT has considered but discarded.

The OA includes “additional shortlisted policy options... to be consulted on as alternatives”. These include a) form, b) content, c) manner of delivery, and d) frequency. There is one option included in a) form, b) content says that the preferred option will be consulted on alongside whether any additional or alternative information should be included, there are two options included for c) manner of delivery, and two options for d) frequency. The OA then sets out a list of options containing:

- Option 0: Do nothing
- Option 1: Preferred option – The Government provides a standard statement for employers to distribute, only requiring the employer to include additional information on any recognised unions. Employers can provide the statement to existing workers either directly on an annual basis or indirectly, with the statement being available continuously.
- Option 2: ‘The alternative options’ – Considers all other combinations of what is being consulted on. Primarily, the differences would be frequency of delivery, and the use of direct, or indirect communications with a reminder.

DBT expects a positive overall impact on total welfare as a result of the preferred option. The OA presents a NPSV of –£75.7 million for the preferred option (option 1), with an EANDCB of £8.7 million. The OA only includes monetised costs to employers, as DBT says that they have not been able to monetise the benefits.

Key impacts include:

- Workers' greater awareness of their legal rights is expected to lead to increased unionisation which could help improve terms and conditions.
- Unionisation could also improve worker retention, reduce costs of workplace disputes, and improve product innovation and productivity.
- New administrative duty on employers, with associated costs that are estimated to be low per employer but are expected to affect a large number of businesses, including small and micro businesses.

## Rationale

### Problem under consideration

The OA argues that trade unions play an important role in protecting and representing workers across the economy, ensuring people are empowered at work and driving living standards in the UK. The OA also references data on UK union membership density from the late 1970s/early 1980s, 1995 and 2025 to demonstrate the decline in membership, and argues this reduction has likely exacerbated wider issues the UK labour market faces. The OA later says the Government believes strong collective bargaining rights and institutions are key to tackling problems of job insecurity, inequality, discrimination, enforcement and low pay, but would be improved by providing evidence to support the asserted extent to which trade unions contribute to tackling these problems. The OA sets out the broad problem under consideration, which provides support for the overall problem that the primary and secondary legislation aim to resolve. The wider OA discusses the rationale for particular options and considerations, how they could be implemented, and the impacts of them, with a view to the underlying problem under consideration but would be improved by more clearly diagnosing the specific problem and providing the rationale for why secondary legislation is required.

### Argument for intervention

The OA argues that an asymmetry of information exists between employers and workers and creates an imbalance of power, with workers having reduced awareness of the potential benefits of union membership.

The OA cites evidence 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 undecided, arguing that this suggests workers' lack of awareness contributes to low union membership. There are likely other factors that contribute to these workplaces being non-unionised beyond simple lack of awareness. The OA would be improved by providing evidence on the level of awareness of trade unions and/or the benefits of membership, beyond the grouping of 'young core workers' who had never joined a trade union cited. As we note below, a survey of awareness now would help to create a test of the policy's effectiveness when it comes to post-implementation review (PIR).

The OA states that without Government intervention the market failures will persist and continue to contribute to an imbalance of power between employers and workers, with this reducing the likelihood that problems of insecurity, inequality,

discrimination, enforcement and low pay will be tackled. The OA would be improved by providing evidence or comparison with other countries to support this argument. It could also consider how much a lack of awareness and union membership contributes to these problems, compared to other features of the UK labour market such as the prevalence of firm-level (as opposed to sector-level) bargaining.

### **Objectives and theory of change**

The OA states that the aims of this policy are to:

- 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.

It further details intended outcomes such as:

- Employers informing workers using a low-cost form of communication.
- Empowering previously unaware workers to join a union and organise collectively.
- Growth in union membership and recognition, leading to stronger collective worker voice and improved pay and conditions.
- Increased cooperation between employers and workers, benefiting the economy.

The policy objectives are largely SMART in intent, particularly in being Specific, Achievable, and Realistic. They are, however, only partially Measurable and Time-limited, as the OA does not set explicit quantitative targets or deadlines for achieving the intended outcomes.

The OA says the proposals will support the Government's growth objective and help to ensure benefits of growth are shared fairly across the economy. The OA would be improved by defining this more clearly and providing evidence for this statement.

The OA sets out a relatively basic but logical process across inputs, activities, outputs, outcomes and impacts.

## **Identification of options (inc. SaMBA)**

### **Identification of the 'longlist' of options**

The OA includes points of consideration for how the duty from the primary legislation could be carried out. These cover a) form, b) whether employers draft their own statement, c) content, d) manner of delivery, and e) frequency. Within these points of consideration, the OA sets out how variable each point of consideration could be, based on what was legislated for in the Employment Rights Bill and what the Government considers to be appropriate. DBT covers options for these points that were considered but not included in the consultation, with two for d) manner of delivery:

- Requiring the statement to be provided only through indirect methods
- Requiring the statement to be provided indirectly on a regular basis, such as annually

and three for e) frequency:

- Quarterly
- Every two years, or less frequently
- No prescribed frequency – left to the employer’s discretion

The OA should follow a process similar to the ‘strategic options framework filter’ set out in the Green Book for the options longlist, demonstrating how the longlist was generated. The OA would be improved by setting out the longlist of options as a distinct list followed by explanations for why options were discarded or taken forwards.

### **Consideration of alternatives to regulation**

No alternative to regulation is considered, beyond the ‘do nothing’ option covered in section 6 which DBT says would involve not implementing the right of workers to be informed by their employer of their right to join a union. The OA would be improved by providing justification for why regulatory intervention is required and why other alternatives to regulation would not be appropriate, in the absence of other non-regulatory options.

### **Justification for the shortlisted options**

The OA provides sufficient explanation of why the discarded options for the manner of delivery and frequency were not taken forward to the shortlist, though it could be more systematic. The OA would be improved by assessing the longlist against the Green Book’s critical success factors to narrow it to a longlist and providing more explicit reference to the proposal’s SMART objectives.

### **SaMBA and medium-sized business (MSB) assessment**

The OA says that the proposed options are expected to be applied to businesses of all sizes, in line with a manifesto commitment that employers have a duty to inform all workers of their right to join a trade union. The OA then cites some evidence that a higher proportion of workers with small and micro employers are on ‘low pay’ on an hourly and weekly basis, alongside assessment from the Taylor Review’s Good Work Report that good practice needs extending more widely, particularly to smaller companies. Together with data showing that micro and small employers employ around 28% of UK workers, this implies a case that exempting small and micro businesses would significantly sacrifice the policy objective, though this would be constrained by the fact that trade unions can only apply for statutory recognition of a bargaining unit if the employers has 21 or more workers though union presence and recognition does exist at some small and micro employers. The OA would be improved by being clearer about the extent of the policy objective that would be sacrificed by applying a full exemption to small and micro businesses, alongside how



much of the overall cost to business is expected to fall on small and micro businesses.

The OA says that the Government does not consider an exemption for small and micro businesses to be appropriate or proportionate. The OA includes cost estimates for the various option variants considered, with estimates by employer size for options 2c and 2d. The OA provides some justification for not considering an exemption by arguing that small and micro employers should be able to carry out the employer duty at very low cost.

## **Justification for preferred way forward**

### **Appraisal of the shortlisted options**

The OA appraises the preferred option and the alternative options, producing monetised Net Present Social Value (NPSV) and Equivalised Annual Net Direct Cost to Business (EANDCB) estimates including employer drafted statement and standard statement versions included in Table 14. This table does not include estimates for options 2b, 2e and 2h, which appears to be on the basis that they expect these costs to be slightly higher than other specified options estimated, but they have not produced estimates for them. The NPSV estimates do not include any monetised benefits.

The OA contains a reasonable and proportionate quantitative assessment of key costs, supported by detailed calculations and evidence, and a qualitative assessment of key benefits, with clear acknowledgement of uncertainties and limitations.

### **Selection of the preferred option**

The analysis in the OA is proportionate and reasonable as it provides a detailed quantitative assessment of costs and a transparent qualitative assessment of benefits. The preferred option has the smallest negative NPSV and the lowest EANDCB. The lack of monetised benefits, however, means the case for the preferred option ultimately relies on a qualitative judgement that the (unquantified) benefits to workers and wider society are likely to outweigh the (quantified) costs to employers.

## **Regulatory Scorecard**

### **Part A**

#### **Impacts on business**

The OA provides estimated monetised costs to business that form the basis of a Net Present Value (NPV) of approximately –£74.9 million, with an Equivalised Annual Net Direct Cost to Business (EANDCB) of £8.7 million. These costs are generally low per employer, especially where digital or indirect communication methods are used. The main distributional impact is expected in the private sector, where union presence is currently low, and among micro and small businesses, which make up a



large share of employers. Non-monetised impacts include the potential for increased unionisation, which could lead to improved staff retention, reduced workplace inequality, and productivity gains, but may also require some employers to adapt to a stronger collective worker voice. The overall business impact is uncertain, as it depends on how many workers choose to unionise and how employers respond.

### **Impacts on households, individuals or consumers**

The OA says that the primary effect is increased awareness of the right to join a trade union, which is likely to lead to some increase in unionisation, especially among those previously unaware of their rights. DBT expects this could result in improved terms and conditions, greater access to training and career development, reduced pay inequality, better dispute resolution, and more family-friendly workplace practices. The impacts are not monetised, but are expected to be positive, particularly for groups with lower union membership rates, such as younger workers, those with disabilities, and LGBTQ+ workers. The OA expects that distributional impacts may also be seen across regions, with greater interest in unionisation in the devolved nations and northern English regions.

### **Total impacts**

DBT assesses the overall impact on social welfare as positive, based on the expectation that workers will be better informed and empowered to decide whether union membership is beneficial for them. The OA states that where workers choose to unionise, this is likely to improve terms and conditions and may motivate employers to consider worker welfare more seriously. While only costs to employers are monetised (with a negative NPV), DBT expects the non-monetised benefits to workers and society, such as improved working conditions, reduced inequality, and enhanced productivity, to outweigh these costs in the long run. The OA says that the costs per employer are generally low, especially with digital or indirect communication, and the policy is expected to have positive impacts on individuals. The OA would be improved by providing evidence to support the positive distributional impacts expected.

## **Part B**

### **Business environment**

DBT assessed that the policy will have a neutral effect on the overall business environment. The OA states that it introduces a low-cost administrative burden but is unlikely to affect the ease of doing business in the UK. DBT expects that there may be potential benefits for employers from increased worker voice, such as improved innovation and staff retention, but these depend on the quality of employer–union relationships. The OA says that substantial negative impacts on the business environment are anticipated, and the policy is designed to minimise compliance costs, especially for small and micro businesses.

### **Trade and investment**

The OA states that no significant impacts on international trade or investment are expected. The OA states that the policy is compliant with international obligations and does not impose additional requirements on foreign-owned businesses compared to UK-owned businesses.

### **Natural capital and decarbonisation**

The OA states that the policy is not expected to have any material impact on the environment, natural capital, or decarbonisation. It does not relate directly to environmental or decarbonisation goals, and any effects in these areas are assessed as negligible.

## **Monitoring and evaluation**

The OA commits to a formal PIR within five years of implementation, to assess the policy's effectiveness against its objectives and identify any unintended consequences. The OA says that the department would aim to draw on a range of evidence, including administrative data, survey results, and stakeholder feedback, to evaluate whether employers are complying with the duty, how workers are responding, and whether union membership and workplace outcomes are changing as intended. The OA also notes that the PIR will consider the attribution of observed changes to the policy, recognising the potential influence of other concurrent reforms and labour market developments.

The framework sets out key research questions aligned with the policy's objectives, including whether employers are providing the required statements, how these are delivered, and the impact on worker awareness and unionisation. The OA identifies some relevant data sources for monitoring and evaluation, including employment tribunal complaints, stakeholder correspondence, and regular data on trade union membership. The OA acknowledges that there are currently no routine data sources on employer communication practices or worker awareness, and therefore proposes to supplement existing data with new or adapted surveys of employers and workers, as well as stakeholder engagement. The OA should address how it will ensure that there is a 'before' measure of awareness (for example, through a survey conducted now), against which to assess the effectiveness of the policy at PIR.

The OA also recognises the importance of both quantitative and qualitative evidence in assessing policy impacts. However, the framework would be strengthened by providing more detail on the feasibility, timing, and ownership of data collection, and by mapping specific indicators to data sources for each object.

## **Other comments**

The OA could be more clearly written and structured. This could be done by setting out specified longlist and shortlists, and talking through each of the options separately, including reasons for those not taken forward. The OA also contains some incomplete and unclear sentences and quite dense paragraphs. DBT could consider where use of tables or bullet points would be better than narrative text.

Some restructuring, rewriting and streamlining of the OA's content would make it more transparent and accessible to the reader.

### **Regulatory Policy Committee**

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