

# Final stage impact assessment

Title: Employer duty to inform workers of their right to join a trade union

Type of measure: Secondary Legislation

Department or agency: Department for Business, Innovation, Science and Trade

IA number: BIST -090 – 25 – CMRR -IA

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

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## 1. Summary of proposal

1. The Employment Rights Act 2025 introduced a new duty for employers to give workers a statement of their right to join a trade union at the start of their employment and at other prescribed times. Secondary legislation will set out the form, content, frequency and manner of communication for this duty, following public consultation.
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 Great Britain whilst supporting businesses to carry out the duty as part of their normal activities.
3. Specific details of the obligation, including the form, the content, the frequency, and the manner of communication are being set out in secondary legislation, following a public consultation which ran from 23<sup>rd</sup> October to 18<sup>th</sup> December in 2025. This assessment provides a high-level appraisal of the proposed policy that is being legislated.

## 2. Strategic case for proposed regulation

4. 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%)<sup>1</sup>. The OECD ICTWSS collective bargaining database estimates that UK union membership density peaked at over 50% in the late 1970s/early 1980s<sup>2</sup>. This decline in union membership has reduced the ability of workers to utilise collective worker power to negotiate better terms and conditions, access to training and secure work.

5. 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 obtain<sup>3</sup>.
6. 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.
7. 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.
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 instance<sup>4</sup>. 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 decades<sup>5</sup>. 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 majority of workplaces where there is no union presence or a recognised union<sup>6</sup>. 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 membership<sup>7</sup>. The TUC's

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<sup>1</sup> [Trade union statistics 2024 - GOV.UK](#)

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

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

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

<sup>5</sup> [Trade union statistics 2024 - GOV.UK](#)

<sup>6</sup> [Management and Wellbeing Practices Survey - NIESR](#)

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

Young Workers Project<sup>8</sup> found that among over 300 ‘young core workers’<sup>9</sup> 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.

9. 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 undecided<sup>10</sup>. 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.
10. 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 from CIPD in 2025<sup>11</sup> finds employers with union representatives are generally positive about the relationship between unions and management, while those without unions are far more negative. There is also research evidence of management hostility to unionisation among non-unionised employers in the UK. A survey of 117 organisations in 2000 by Cardiff University found that 40% of employers actively discouraged workers from joining unions, while around a quarter ‘victimised union activists’<sup>12</sup>. The Workplace Employment Relations Survey showed a decline in management support for unionisation in the workplace from 28% of workplaces with 10 or more workers in 1998 to 19% in 2011<sup>13</sup>. The available information therefore indicates that government intervention would be required to achieve the policy objective. The legislation ensures that the information is provided by the employer in the workplace, so the worker receives the information in the most relevant context, at work.
11. 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 and of unions (what unions are, and their core functions). 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. Where unions are actively recruiting members, for instance under voluntary or statutory access agreements, the requirements for access may be greater as unions will have to explain the basics to workers, such as the purpose of unions, their core activities and how they operate in the workplace.

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<sup>8</sup> [WorkSmart Innovation Project Report 2019 AW Digital.pdf](#)

<sup>9</sup> 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

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

<sup>11</sup> [UK industrial relations: A future with trade unions](#)

<sup>12</sup> [Employer opposition and union avoidance in the UK](#), 2008

<sup>13</sup> [Microsoft Word - Forth and Bryson 2015 Trade Union Membership and Influence 1999-2014 for NIESR web .docx](#)

### 3. SMART objectives for intervention

12. 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:
  - When they join a new employer
  - At other prescribed times
- Employers are able to use an established method of direct communication with their new workers and can use indirect or direct communication for existing workers to carry out the duty, to provide flexibility for business.

13. The intended outcomes of the policy 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, if they want to.
- 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.
- Stronger collective worker voice leading to increased cooperation between employers and workers, leading to beneficial outcomes for the economy.

14. Employers will provide their new workers with the statement of this right directly at the start of their employment and provide the statement directly or indirectly to existing workers. This will build up awareness of trade unions, and the right to join a union, particularly among workers in employers without union presence, and industries and areas with low union activity.

15. Over time, this is expected to generate some increase in new union membership and collective organising, based on evidence of worker interest in such activity where it currently doesn't exist. Potentially, depending on the strength of latent demand, there could be an initial step change in new union membership, followed by gradual incremental change. Primarily, we would expect the impact to occur in employers that are not unionised, as there is likely to be some information about unions available to workers at employers with recognised unions.

16. This policy supports the government's growth objective by reducing barriers to effective collective worker voice and helping to strengthen worker representation and bargaining power. This helps to ensure the benefits of growth are fairly shared across the economy. Independent collective worker voice can also provide benefits to employers.

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

17. 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 Act 2025. This secondary legislation sets out the detail of how this duty is to be carried out. The policy is as follows:

- a. **Form:** the government will provide a standardised statement for employers to issue, which employers may not amend except to add specific workplace information. Employers must also either include a link to the Certification Officer's list of trade unions within the statement or provide a copy of the list alongside the statement.
- b. **Content:** The written statement will provide clear, neutral information on the right to join a trade union. It will include a brief explanation of union functions, a list of and information on recognised trade unions and/or statutory access agreements (where applicable), brief information on the Certification Officer's list of trade unions, and a summary of statutory rights in relation to union membership.
- c. **Manner:** The statement will be delivered directly to new workers at the same time as the written statement of employment particulars. For existing workers, the statement may be delivered through either direct or indirect methods, provided in the latter case it remains reasonably accessible to the worker. Where indirect methods are used, the worker must be informed of where the statement is located and thereafter receive an annual reminder informing them that the statement is available and where to find it.
- d. **Frequency:** Where employers choose to deliver subsequent statements directly, they must do so annually by 5 April. Where the employer uses indirect methods to deliver the statement, the employer will have to ensure that the statement remains continuously available and reasonably available to the worker and must issue an annual reminder that the statement is available and where to find it. The employer will have to inform their workers directly if the location of the statement changes where indirect communication is relied upon. Where there is a change to the identity of unions which have recognition or statutory access agreements, the statement will be required to be reissued within one month of the change.

18. The proposed policy is designed to ensure that workers will have information provided or available from their employer on their right to join a union and related statutory rights, what a union does, any unions recognised by their employer or with an access agreement, and brief information of the Certification Officer's list of trade unions.

19. The standardised statement of rights will ensure that workers in Great Britain will receive or have access to consistent information. The standardised statement will provide a straightforward low-cost option compared to requiring employers to draft their own statement. The standard statement also ensures that the statement on the right to join a trade union is communicated neutrally, outlining statutory rights and union details

without including discouraging language. This approach mitigates the risk of information being provided that may not be neutral or could dissuade workers from joining.

## Theory of Change

**20. Inputs:** Following the inclusion of the employer duty to inform workers of their right to join a trade union in the Employment Rights Act 2025, secondary legislation is introduced setting out the implementation details. This, alongside published guidance, will enable employers to carry out the duty in compliance with the law.

**21. Activities:**

- a. Employers will directly provide their new workers with the standard statement of their right to join a trade union, alongside the written statement of employment particulars.
- b. Employers provide their existing workers with the standard statement using their preferred direct and/or indirect communication method(s).

**22. Outputs:** Increased awareness among workers of their right to join a trade union, and the core functions of a union. The increased awareness is most likely among workers at non-unionised employers or workplaces.

**23. Outcomes:**

- a. Workers, newly aware, may choose to join a trade union and organise collectively if they consider it in their interests
- b. An increase in the number of new trade union recognitions for collective bargaining.

**24. Impacts:** increase worker voice, leading to:

- a. Improved terms and conditions for unionised workers
- b. Potential benefits for employers in worker retention, skills development, productivity

## 5. Summary of long-list and alternatives

### Scope of coverage of small, micro and medium sized employers

25. The proposed policy will apply 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 union<sup>14</sup>, even where a union is not formally recognised by an employer, the union could help with individual representation such as discussing worker's concerns with an employer, as well as disciplinary and grievance procedures. A union could also

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<sup>14</sup> [Joining a trade union: Joining a trade union - GOV.UK](#)

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. Workers at small and micro employers will be covered by the new statutory sector collective bargaining frameworks for adult social care and school support staff, which may incentivise workers to become union members. 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 pay<sup>15</sup>. The Good Work report from 2017 also suggested that the challenge on good employment relations included extending good practices more widely, especially to smaller companies<sup>16</sup>. 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.

26. Currently, trade unions can apply for statutory recognition of a bargaining unit via the Central Arbitration Committee if the employer has 21 or more workers<sup>17</sup>. 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 agreement<sup>18</sup>, 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 2025<sup>19</sup> we estimate that around 4 million workers are based at micro employers, with around 4.5 million at small employers, accounting for a combined 28% of workers in Britain. 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.
27. It is also important that the policy enables employers, especially small and micro employers, to comply with the legislative requirements at minimal cost. The proposed policy 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.

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<sup>15</sup> [Low-Pay-Britain-2022.pdf](#)

<sup>16</sup> [Good work: the Taylor review of modern working practices](#)

<sup>17</sup> [Statutory Recognition – Guidance on Part I of Schedule A1 - GOV.UK](#)

<sup>18</sup> [Collective employee voice: Recommendations for working with employee representatives for mutual gain](#),

Figure 2

<sup>19</sup> [Business population estimates 2024 - GOV.UK](#)

## 6. Description of shortlisted policy options carried forward

28. The proposed policy set out in the secondary legislation is set out in Section 4. There were a few alternative shortlisted policy options that were consulted on between 23<sup>rd</sup> October and 18<sup>th</sup> December<sup>20</sup>. The alternatives were 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 model statement provided by the government, which employers could choose to use instead of drafting their own version.
- b. **Content:** Respondents were asked whether they agreed with the specified content set out in the preferred option, and whether they had alternative content suggestions.
- c. **Manner of delivery:** For new workers, the option of providing the information directly was consulted on. For existing workers, two further options for delivering the statement were considered: direct delivery only, or direct or indirect delivery with no reminder if indirect delivery was chosen.
- d. **Frequency:** The additional options 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) were:
  - 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.

### The consultation

29. The consultation included 8 key questions. As part of the consultation processes there were also roundtable and virtual meetings and ongoing dialogue with some key stakeholders.

30. This Impact Assessment reflects the final policy design following the public consultation. Consultation responses and stakeholder engagement informed the development of the proposed policy and key analytical assumptions. Details of the views respondents expressed and the government's response are set out in the published consultation response.

31. The consultation received 307 responses<sup>21</sup>, of which 143 were from employers, 69 from individuals, 36 from business representative organisations, 25 from trade unions, 19 from legal or HR professionals, and 5 each from academia, charities and other categories. Broadly, the preferred policy options consulted on were supported by the majority or the highest proportion of respondents. The primary areas for discussion were on:

- a. Whether the government provided statement should be required to be distributed as it was, or whether it should be a baseline that could include additional information.

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<sup>20</sup> [Make Work Pay: duty to inform workers of right to join a union - GOV.UK](#)

- b. Whether employers should ensure that statements are communicated directly and regularly to existing employees, or provide consistent reminders regarding their location.
- c. What would be required to demonstrate compliance, and the need for an effective enforcement mechanism.

32. The final policy can be summarised as follows. All employers must provide new and existing workers with a government provided standard written statement on a worker's right to join a trade union. For new workers, employers should provide the statement directly alongside the written statement of employment particulars. For existing workers, employers may provide the statement either directly on an annual basis or indirectly (for example via a digital portal or noticeboard) on a continuous basis. Where an indirect method is used, the worker must be informed directly and in writing where the statement is located, and must receive an annual reminder that the statement is available and where to find it. Employers should only amend the standard statement to add information about trade unions they recognise and/or have an access agreement with where such arrangements are in place. Employers must also either include a link to the Certification Officer's list of trade unions within the statement, or a copy of the list alongside it. Employers should provide workers with an updated statement when there is a change in the identity of unions with recognition or statutory access agreements. Employers must also inform their workers directly if the method of delivery changes from direct to indirect, or if the location of the statement changes where indirect communication is used.

### **Small, micro and medium business assessment**

33. The government does not consider an exemption for small, micro or medium businesses as appropriate or proportionate. It has designed the policy to be workable and avoid burdens on businesses of all sizes. Our analysis shows that employers should be able to carry out the duty at very low cost. Delivery of the statement at the start of the workers' employment will be done alongside the existing obligation to provide the worker with a written statement of their employment particulars. Employers will have the choice of direct or indirect communication to deliver the statement to existing workers. While larger employers are likely to have more options for indirect delivery of the statement, many smaller employers will have noticeboards or a shared digital file system that could facilitate indirect communication.
34. 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. The proposed policy may help improve worker voice in some micro and small employers, which may boost worker engagement and performance, benefitting the employer.

35. As pointed out above, we estimate very low costs per employer resulting from the Employer Duty. The policy design keeps costs low by using a standard statement and incorporating delivery of the statement to new workers into an existing requirement for employers. Unit costs using a usual favoured written communication method will be very low. As small and micro employers have fewer workers, the overall average employer costs will be lower for these employers. Given this, the total policy costs broadly reflect the distribution of British employers. Around 96% of British employers are small or micro businesses.

## Enforcement

36. The policy would be enforced in the same way as failure to provide a written statement of employment particulars (as set out in Section 38 of the Employment Act 2002)<sup>22</sup>. This means that a worker would need to bring a substantive claim to the employment tribunal under one or more of the jurisdictions listed in Schedule 5 of the Employment Act 2002. These include jurisdictions relating to trade union rights, unfair dismissal, breach of contract and unauthorised deduction of wages among others.

37. If, at the time the claim was brought, the employer was still in breach of the duty to inform workers of their right to join a union, the worker may be eligible for an award, or an increase to an award already being made, of between 2- and 4-weeks' pay. This award would relate to failure to comply with the duty to inform the worker of their right to join a trade union.

38. It is unclear at this stage what impact this would have on early conciliation and employment tribunal claims. Failure to carry out the duty is likely to feature mainly when workers add it to existing claims, rather than acting as a driver for bringing claims in other jurisdictions.

## Summary of costs and benefits

39. 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 2025.

**Table 1: Summary of costs for the proposed policy 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                                                    | 8.3                        | 8.2                          |
| One-off cost: preparing documentation to send to new workers: standard statement | 8.4                        | 8.2                          |

<sup>22</sup> [Employment Act 2002](#)

|                                                                                                                  |      |      |
|------------------------------------------------------------------------------------------------------------------|------|------|
| Distribution cost: year 1 (including informing existing workers of location of statement if provided indirectly) | 10.6 | 10.4 |
| Distribution cost: subsequent years (including reminder of location)                                             | 7.8  | 7.7  |

40. 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:

- a. Total Net Present Social Value of -£85.5 million.
- b. Annual Net Direct Cost to Business of £9.8 million.

41. As the policy applies to all employers, estimated to total around 1.46 million in Great Britain, this shows that the estimated annual cost of this policy to individual employers is estimated to be very low, at under £50 for most employers.

42. The potential benefits from these proposed policy changes have not been monetised, because it is difficult to quantify the benefits of increased worker awareness of their right to join a union. There is evidence of problems of low pay, weak pay growth and insecure work in the UK labour market, which stronger unionised worker voice could help to tackle. However, there is also evidence of low union presence in much of the private sector, and of a lack of awareness of trade unions and what activities unions carry out in workplaces where they have a presence. The policy, by tackling this lack of awareness, can help informed workers decide whether joining a union/organising will be beneficial to them. The evidence suggests that trade union representation can have benefits to workers and households such as improved terms and conditions, including wages, reduced wage inequality, improved equality policies and improved family friendly policies. Unionised worker voice can also have benefits to employers, such as advocating for training, improved individual dispute resolution, improved staff retention, and communication of worker perspectives.

43. 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, this approach ensures that the statement communicated is not written in a way aimed at discouraging workers from joining a union.

## 7. Regulatory scorecard for preferred option

### Part A: Overall and stakeholder impacts

| (1) Overall impacts on total welfare          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Directional rating                                                       |
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| <b>Description of overall expected impact</b> | <p>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. There is also evidence of an unmet demand among non-unionised workers for unionisation. The decline in unionisation has coincided with labour receiving a lower 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).</p> <p>Employers may also be motivated to further consider their workers' welfare if concerned about unionisation.</p> <p>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.</p> <p>We estimate that the costs per employer is generally very low, especially where digital communication or indirect communication can be used.</p> <p>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.</p> | <b>Positive</b><br><br><b>Based on all impacts (incl. non-monetised)</b> |
| <b>Monetised impacts</b>                      | <p>Only the costs to employers have been monetised, we have not been able to monetise the benefits.</p> <p>The proposed policy 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 £-£85.5 million over 10 years.</p> <p>One-off familiarisation costs to employers are estimated at £8.3 million.</p> <p>There are also one-off costs for employers to prepare documentation for new workers of £8.4 million based on just using the model statement.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>Negative</b><br><br><b>Based on likely £NPSV</b>                      |

|                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                 |
|-----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
|                                                           | <p>Most of the costs are estimated to come from regular communication of the right to join a union to existing workers, estimated at £10.6 million for the first distribution, and £7.8 million for subsequent years (as employers using indirect communications have set them up for the first distribution and have kept the information available). These costs include the annual costs of a direct reminder for existing workers of the location of the statement where employers provide it indirectly. Costs per employer are generally very low for each communication – however using direct communication methods, especially hardcopy methods as worker numbers per employer start to rise, will be slightly more costly.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                 |
| <b>Non-monetised impacts</b>                              | <p>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.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>Positive</b> |
| <b>Any significant or adverse distributional impacts?</b> | <p>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 is some evidence for unmet demand for unionisation among workers in Britain, but the extent to which having a better-informed workforce might result in higher unionisation is difficult to quantify, as is the extent to which the Employer Duty policy would be a driver of change.</p> <p>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.</p> <p>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.</p> | <b>Positive</b> |

## (2) Expected impacts on businesses

|                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                  |
|-----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| <b>Description of overall business impact</b> | <p>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 (at under £50 a year).</p> <p>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</p> | <b>Uncertain</b> |
|-----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|

|                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                    |
|-----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
|                                                           | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                    |
| <b>Monetised impacts</b>                                  | <p>Only costs to employers have been monetised.</p> <p>The proposed policy has an estimated business NPV of -£84.6 million, and an EANDCB of £9.8 million</p> <p>As shown above, the cost to individual employers is expected to be low, employers will benefit from having a standard statement to use, and being able to use existing communication methods.</p>                                                                                                                                                                                                                                                                                                                     | <p><b>Negative</b></p> <p><b>Based on likely business £NPV</b></p> |
| <b>Non-monetised impacts</b>                              | <p>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.</p> <p>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.</p> <p>Where a business becomes unionised (especially with recognition) the employer would have to adapt to take account of the collective worker voice.</p> | <b>Uncertain</b>                                                   |
| <b>Any significant or adverse distributional impacts?</b> | <p>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.</p> <p>Union membership is relatively low in all English Regions, so there is the potential for this to increase across regions, but there is also potential for growth in the devolved Nations as well.</p>                                                                                                                                                                                                                                                       | <b>Uncertain</b>                                                   |

### (3) Expected impacts on households

|                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                    |
|------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <b>Description of overall household impact</b> | <p>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 affected –and potentially more access to training and career development, less pay inequality, better individual dispute resolution, and more family-friendly practices in the workplace<sup>23</sup>.</p> | <b>Positive</b>                                                    |
| <b>Monetised impacts</b>                       | We have not monetised any potential impacts for households.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <p><b>Neutral</b></p> <p><b>Based on likely household £NPV</b></p> |

<sup>23</sup> [NIESR added value of trade unions literature review new format .docx \(niesr.ac.uk\)](#)

|                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                 |
|-----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| <b>Non-monetised impacts</b>                              | <p>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.</p> <p>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.</p> <p>Recent analyses do not suggest a negative effect from union representation or enhanced rights to worker representation on employment<sup>24</sup>.</p> <p>Workers at unionised employers, or those not interested, are unlikely to be affected negatively by directly receiving the standard statement once a year or having the information available to them indirectly.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>Positive</b> |
| <b>Any significant or adverse distributional impacts?</b> | <p>There are potential distributional impacts.</p> <p>Based on data from the Employment and Skills Survey 2024 (ESS)<sup>25</sup> 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.</p> <p>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.</p> | <b>Positive</b> |

## Part B: Impacts on wider government priorities

| Category                                                                                         | Description of impact                                                                                                                                                                                                                                                                                                                                              | Directional rating |
|--------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| <b>Business environment:</b><br>Does the measure impact on the ease of doing business in the UK? | <p>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.</p> <p>There are potential benefits as well as costs to employers</p> | <b>Neutral</b>     |

<sup>24</sup> [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.

<sup>25</sup> 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.

|                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                |
|---------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
|                                                                                                                                 | 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 innovation <sup>26</sup> |                |
| <b>International Considerations:</b><br>Does the measure support international trade and investment?                            | <p>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.</p> <p>Furthermore, the proposed policy will not introduce requirements on foreign-owned companies that go above and beyond those which are UK-owned.</p>                                                                                                    | <b>Neutral</b> |
| <b>Natural capital and Decarbonisation:</b><br>Does the measure support commitments to improve the environment and decarbonise? | <p>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</p>                                                                                                                                                                                                                                   | <b>Neutral</b> |

## 8. Monitoring and evaluation of preferred option

44. 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.
45. Section 4 contains a Theory of Change which includes high level expected activities, outputs, outcomes and impacts of the proposed policy. These will form the basis of the PIR.
46. 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

<sup>26</sup> [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](#)

- iii. Do they join a union, get involved in organisation etc
  - d. Are there difficulties for employers in complying with their duty to provide the statement
  - e. Are there any issues for workers in receiving the statement
  - f. Has there been any increase in union membership by size of employer, sector and industry
  - g. Is there any evidence of failure to comply with the employer duty to provide a statement of the right to join a union.
47. 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
48. We will collect information from an employer survey on whether employers inform their workers of their right to join a union prior to commencement to establish a baseline. We will also undertake a survey of workers to measure awareness of this right and the impact of improved information on worker attitudes and behaviour. This will form the basis of a programme of ongoing monitoring, subject to available research resources.
49. Engagement with relevant stakeholders (including employers, business representative groups, trade unions) will provide further information on policy impacts.
50. Potential costs to employers have been raised in the consultation and addressed as far as possible. 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.
51. 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 Act, 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.

## **9. Minimising administrative and compliance costs for preferred option**

52. The proposed policy is designed around keeping the cost to employers low while meeting the objective of informing workers of their right to join a trade union.
- a. The government will provide a standard statement to be distributed.
  - b. For new workers, the statement should be distributed alongside the written statement of employment particulars, which employers are already required to provide to new workers. Therefore, this direct communication will form part of an existing communication rather than something additional.
  - c. For existing workers, employers will be able to communicate the information indirectly, enabling them to arrange the accessible display of the information once at commencement. However, they will need to communicate the location of the statement to their existing workers directly in writing each year (though this can be as part of an existing communication). Where employers do not use indirect methods to communicate to workers, they will be required to provide the information annually to their existing workers, which can be aligned with their normal HR activities such as payroll updates for the National Minimum Wage and changes to statutory pay rates in April to reduce administrative burden.

## Declaration

Department:

Department for Business, Innovation, Science and Trade

Contact details for enquiries:

ERDanalysisenquiries@businessandtrade.gov.uk

Minister:

Kate Dearden MP, Minister of State in the Department for Business, Innovation, Science and Trade

I have read the Impact 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.

Signed: 

Date: 25 September 2026

## Summary: Analysis and evidence

For Final Stage Impact Assessment, please finalise these sections including the full evidence base.

Price base year: 2025

PV base year: 2025

| Summary Table                                                                                                   | 1. Business as usual (baseline) | 2. Preferred way forward                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------------------------|---------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Net present social value</b><br>(with brief description, including ranges, of individual costs and benefits) | N/A                             | Only business costs have been monetised.<br>The NPSV is -£85.5 million over 10 years.<br>This is based on one -off costs (familiarisation, preparing documentation for new starters) of £16.7 million, plus ongoing costs of £10.6 million for the first annual iteration for existing workers and £7.8 million for subsequent years. As there are nearly 1.5 million employers in Great Britain, the estimated cost per employer is very low. There are potential benefits of raising awareness among workers of trade unions and their role in the workplace as part of the policy objective of tackling low pay and precarity in the labour market. |
| <b>Public sector financial costs</b> (with brief description, including ranges)                                 | N/A                             | Estimated one-off costs are around £0.15 million, for familiarisation and document preparation, with ongoing annual costs of around £0.1m – for communication activities described in the NPSV section.                                                                                                                                                                                                                                                                                                                                                                                                                                                |

|                                                                                                 |                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Significant un-quantified benefits and costs</b><br>(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 likely some increase in unionisation which would have some benefits to affected workers                                                                                                                                                                                             |
| <b>Key risks</b><br>(and risk costs, and optimism bias, where relevant)                         | Workers unaware of their rights to unionise may not take action to improve their workplace terms and conditions because they didn't know how they could | The main risk is the distribution of employers' communication methods with their workers – we have applied data from the MWPS 2018 – 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. |
| <b>Results of sensitivity analysis</b>                                                          | N/A                                                                                                                                                     | N/A                                                                                                                                                                                                                                                                                                                                                                                                    |

## Evidence base

53. The estimated costs of the proposed policy will be benchmarked against a baseline of no change.

54. **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 public<sup>27</sup>.

55. **Option 1: the proposed policy** – is where:

- a. The government provides a standard statement on the right to join a trade union for employers to distribute to their workers. The employer will only be required to include additional information on any recognised unions and access agreements, and to either include a link to the Certification Officer's list of trade unions within the statement or provide a copy of the list alongside the statement.
- b. Employers must provide the statement directly to its new workers alongside their written statement of employment particulars.
- c. 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
  - ii. If indirect methods are used, the statement must be available continuously, and workers must be informed directly and in writing of the location of the statement, and thereafter be reminded directly in each subsequent year.

### Cost assumptions

56. 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.

57. There is 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 phones<sup>28</sup>. Department for Business, Innovation, Science and Trade (BIST) 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 workers<sup>29</sup>. It is therefore important to have options

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<sup>27</sup> [Government response to the consultation on creating a modern framework for industrial relations](#)

<sup>28</sup> [E-commerce and ICT activity - Office for National Statistics](#), [UoL Employers Digital Practices at Work Survey Mar 23](#)

<sup>29</sup> BIST analysis of the Management and Wellbeing Practices Survey.

that employers who have different means of communicating in writing with workers can easily use. For workers starting with an employer, the Employment Rights Act 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

58. 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.

59. There will be a downloadable standard statement provided by the government for employers to use. 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).
- 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

60. 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.

61. Using data from the Business Population Estimates 2025 to estimate the number of employers in Great Britain, and hourly wages data from the Annual Survey of Hours and Earnings 2025<sup>30</sup> (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 **£8.3 million**.

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<sup>30</sup> This is based on managing directors and senior officials (median hourly wage £27.40) as the equivalent for senior manager at micro employers, and HR managers and directors (median hourly wage £29.79) as the relevant senior staff at small to large employers. Non-wage labour costs were estimated to be 22.1% of wages based on data for Q4 2024 to Q3 2025.

**Table 2: estimated familiarisation costs**

| <b>Employer Size</b> | <b>Number of employers</b> | <b>Hours taken to familiarise</b> | <b>Hourly labour cost</b> | <b>Total (to nearest £000)</b> |
|----------------------|----------------------------|-----------------------------------|---------------------------|--------------------------------|
| Micro                | 1,180,728                  | 0.17                              | £33.46                    | £6,585,000                     |
| Small                | 229,359                    | 0.17                              | £36.38                    | £1,391,000                     |
| 50 to 249            | 42,583                     | 0.17                              | £36.38                    | £258,000                       |
| 250 to 499           | 5,336                      | 0.17                              | £36.38                    | £32,000                        |
| 500+                 | 5,791                      | 0.17                              | £33.38                    | £35,000                        |
| <b>Total</b>         | <b>1,463,797</b>           | <b>N/A-</b>                       | <b>N/A</b>                | <b>£8,301,000</b>              |

## **Administration costs**

### **Getting the standard statement (and adding information on recognised unions, access agreements and the Certification Officer's list of trade unions)**

62. The proposed policy 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 and access agreements will be required in addition to include relevant details. Employers will also be required to either include a link to the Certification Officer's list of trade unions within the statement or provide a copy of the list alongside the statement. We assume that all employers would take up to 10 minutes to download the standard statement provided by government and to add the link to the Certification Office's list of trade unions<sup>31</sup>. This would produce the same estimate as the familiarisation costs, of £8.3 million.

63. Employers who have recognised unions and access agreements are required to provide the relevant details. Only a small minority of employers have recognised unions<sup>32</sup>. Based on BIST analysis of MWPS, around half of these employers, particularly smaller ones with recognised unions, as well as some larger organisations, have only one recognised union<sup>33</sup>. As 10 minutes is a conservative estimate for finding and downloading a small document, employers with one or two recognised unions or unions which they have an access arrangement with should be able to add union details within this timeframe. For employers with more than two recognised unions or unions they have an access

<sup>31</sup> Employers would also have the option of downloading and providing the full Certification Officer's list of trade unions, but as that approach is likely to require more effort in the longer term, we anticipate that the majority of employers will choose to add the link to the statement.

<sup>32</sup> BIST analysis of the Management and Wellbeing Practices Survey [Management and Wellbeing Practices Survey - NIESR](#)

<sup>33</sup> As above

agreement with, preparing statements may be more complex as different groups of workers could have different recognised unions and employers may want to communicate this as clearly as possible to each set of workers. We estimate 15,500 employers have more than 2 recognised trade unions, while a maximum of 1,500 would have an access agreement with a union at any one time, each spending an extra 10 minutes of HR director time on average, at a total cost of just over £0.1 million.

64. Therefore, the total estimate for the administrative costs of downloading the standard statement and saving with the written statement of employment particulars for distribution to new workers is **£8.4 million**.

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

65. As discussed above, the Employment Rights Act 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.
66. The proposed policy requires that the standard statement is provided directly along with the written statement of employment particulars. 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.

### **Ongoing costs of informing employer's existing workers**

67. Employers have a range of options for informing their existing workers of their right to join a union. The proposed policy is that employers can choose between both indirect and direct communication methods. We would expect that 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 sending the statement out annually (though they would need to communicate the location of the statement to existing workers directly each year). However, employers could choose direct communication methods if these were the most appropriate method for communicating with their workforce.
68. BIST estimates from the Management and Wellbeing Practices Survey 2018 (MWPS)<sup>34</sup> 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<br>(number of<br>workers) | Regularly<br>communicate<br>with all workers<br>by e-mail | Regularly<br>communicate<br>with all workers<br>by noticeboard | Regularly<br>communicate<br>with all<br>workers by<br>intranet | Regularly<br>communicate<br>with all<br>workers by<br>newsletter |
|-----------------------------------------|-----------------------------------------------------------|----------------------------------------------------------------|----------------------------------------------------------------|------------------------------------------------------------------|
| 5 to 9                                  | 45.5%                                                     | 43.3%                                                          | 16.2%                                                          | 13.3%                                                            |

<sup>34</sup> [Management and Wellbeing Practices Survey - NIESR](#) (2023)

|            |       |       |       |       |
|------------|-------|-------|-------|-------|
| 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: BIST estimates from Management and Wellbeing Practices Survey

69. 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, 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.

70. 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).

71. 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.

72. 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%  |

73. 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 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

- a. E-mail – up to 10 minutes
- b. Printing and posting, or organising document to be distributed by internal post – 10 minutes
- c. 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

74. 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 13p<sup>35</sup>. For hardcopy noticeboards the costs of printing would add an additional 7p 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 average employee numbers per employer, by employer size, for Great Britain estimated from the Business Population Estimates 2025<sup>36</sup> to estimate the overall costs by employer size.

**Table 5: Estimated average number of workers per employer, by size band – based on Business Population Estimates for UK 2025**

| Employer size | Average number of workers |
|---------------|---------------------------|
| 1 to 4        | 2.4                       |
| 5 to 9        | 6.6                       |
| 10 to 19      | 13.5                      |
| 20 to 49      | 30.3                      |

<sup>35</sup> From commercial websites accessed on the 17<sup>th</sup> March 2026, we estimate that the cost of a page of A4 and an envelope could be 7p. 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 6p – meaning the unit cost of printing and enveloping a page is 13p.

<sup>36</sup> [DBT \(2025\): Business population estimates 2025 - GOV.UK](#)

|            |         |
|------------|---------|
| 50 to 249  | 98.6    |
| 250 to 499 | 348.8   |
| 500+       | 2,691.9 |

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

**Table 6: 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                            | £33.46             | 0.17               | Not applicable                                                | £5.58                                    |
| Printed copy – micro                       | £33.46             | 0.17               | Print / envelope costs per worker = £0.13 x number of workers | £5.58 + £0.13 x number of workers        |
| Newsletter – micro                         | £33.46             | 0.33               | Not applicable                                                | £11.15                                   |
| Online portal/ intranet – micro            | £33.46             | 0.33               | Not applicable                                                | £11.15                                   |
| Noticeboard – micro                        | £33.46             | 0.17               | Print costs = £0.07                                           | £5.58 + £0.07 = £5.65                    |
| E-mail – other employers                   | £36.38             | 0.17               | Not applicable                                                | £6.06                                    |
| Newsletter – other employers               | £36.38             | 0.33               | Not applicable                                                | £12.13                                   |
| Online portal / intranet – other employers | £36.38             | 0.33               | Not applicable                                                | £12.13                                   |
| Noticeboard – other employers              | £36.38             | 0.17               | Labour and Print costs (= £0.07) x number of noticeboards     | (£6.06 + £0.07) x number of noticeboards |
| Printed copy – other employers             | £33.81             | 0.17               | Print / envelope costs per worker = £0.13 x number of workers | £6.06 + £0.13 x number of workers        |

76. 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 2025<sup>37</sup> published the following information based on VAT and PAYE registered businesses which includes some with zero workers.

<sup>37</sup> [ONS \(2025\) UK business; activity, size and location - Office for National Statistics](#)

**Table 7: estimated number of workplaces per business, ONS, 2025**

| <b>Size<br/>(number<br/>of<br/>workers)</b>            | <b>1</b>  | <b>2 to 4</b> | <b>5 to 9</b> | <b>10 to 19</b> | <b>20 or<br/>more</b> | <b>Total</b> |
|--------------------------------------------------------|-----------|---------------|---------------|-----------------|-----------------------|--------------|
| <b>Business</b>                                        | 2,676,440 | 45,560        | 6,995         | 2,870           | 2,750                 | 2,734,615    |
| <b>Local<br/>units</b>                                 | 2,676,440 | 108,705       | 44,465        | 38,045          | 312,965               | 3,180,620    |
| Average<br>number of<br>local units<br>per<br>business | 1         | 2             | 6             | 13              | 114                   | N/A          |

77. 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.
- For micro and small employers = 1
  - For employers with between 50 and 249 workers = 3
  - For employers with between 250 and 499 workers = 6
  - For employers with more than 500 workers = 61

### **Costs of communicating information to existing workers**

78. 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 the proposed policy.

**Table 8: Estimated cost of carrying out first communication to existing workers**

| Employer size<br>(number of workers) | Number of employers | Unit cost Calculation                                                                                        | Unit cost estimate (£) | Total £m   |
|--------------------------------------|---------------------|--------------------------------------------------------------------------------------------------------------|------------------------|------------|
| 1 to 4                               | 907,156             | $0.455 \times £5.58 + 0.545 \times £5.89$                                                                    | 5.75                   | 5.2        |
| 5 to 9                               | 273,572             | $0.433 \times £5.65 + 0.046 \times £11.15 + 0.202 \times £5.58 + 0.012 \times £11.15 + 0.307 \times £6.44$   | 6.2                    | 1.7        |
| 10 to 19                             | 147,977             | $0.537 \times £6.13 + 0.11 \times £12.13 + 0.182 \times £6.06 + 0.003 \times £12.13 + 0.168 \times £7.83$    | 7.08                   | 1          |
| 20 to 49                             | 81,382              | $0.394 \times £6.13 + 0.357 \times £12.13 + 0.127 \times £6.06 + 0.006 \times £12.13 + 0.116 \times £10.04$  | 8.75                   | 0.7        |
| 50 to 249                            | 42,583              | $0.261 \times £18.40 + 0.634 \times £12.13 + 0.049 \times £6.06 + 0.006 \times £12.13 + 0.05 \times £18.98$  | 13.81                  | 0.6        |
| 250 to 499                           | 5,336               | $0.14 \times £36.81 + 0.803 \times £12.13 + 0.021 \times £6.06 + 0.006 \times £12.13 + 0.031 \times £51.75$  | 16.69                  | 0.1        |
| 500+                                 | 5,791               | $0.036 \times £374.19 + 0.88 \times £12.13 + 0.037 \times £6.06 + 0.01 \times £12.13 + 0.037 \times £358.71$ | 37.99                  | 0.2        |
| <b>Total</b>                         | <b>N/A</b>          | <b>N/A</b>                                                                                                   | <b>N/A</b>             | <b>9.6</b> |

79. 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 is **£9.6 million**. This does not include the cost for employers who are making the statement available indirectly or directly communicating to their existing workers the presence of the statement and where they have located it, which is covered below.

80. The proposed policy 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 statement every year. We therefore estimate the ongoing cost of communicating the information to existing workers following the initial communication at **£6.77 million a year**. This does not include the cost for employers who are making the statement available indirectly or providing their existing workers a direct annual reminder of its location, which is covered below.

**Table 9: Estimated cost of carrying out communication to existing workers in year 2 onwards**

| Employer size<br>(number of<br>workers) | Number of<br>employers | Unit cost<br>Calculation                                                             | Unit cost<br>estimate (£) | Total cost<br>(£m) |
|-----------------------------------------|------------------------|--------------------------------------------------------------------------------------|---------------------------|--------------------|
| 1 to 4                                  | 907156                 | $0.455 \times £5.58$<br>$+ 0.545 \times$<br>$£5.89$                                  | 5.75                      | 5.22               |
| 5 to 9                                  | 142494                 | $0.387 \times £5.58$<br>$+ 0.023 \times$<br>$£11.15 +$<br>$0.590 \times £6.44$       | 6.22                      | 0.89               |
| 10 to 19                                | 52236                  | $0.515 \times £6.06$<br>$+ 0.009 \times$<br>$£12.13 +$<br>$0.476 \times £7.83$       | 6.96                      | 0.36               |
| 20 to 49                                | 20188                  | $0.511 \times £6.06$<br>$+ 0.023 \times$<br>$£12.13 +$<br>$0.466 \times$<br>$£10.04$ | 8.05                      | 0.16               |
| 50 to 249                               | 4463                   | $0.468 \times £6.06$<br>$+ 0.056 \times$<br>$£12.13 +$<br>$0.476 \times$<br>$£18.98$ | 12.55                     | 0.06               |
| 250 to 499                              | 306                    | $0.362 \times £6.06$<br>$+ 0.098 \times$<br>$£12.13 +$<br>$0.540 \times$<br>$£51.75$ | 31.33                     | 0.01               |
| 500+                                    | 487                    | $0.438 \times £6.06$<br>$+ 0.119 \times$<br>$£12.13 +$                               | 163.08                    | 0.08               |

|              |            |                    |            |             |
|--------------|------------|--------------------|------------|-------------|
|              |            | 0.443 x<br>£358.71 |            |             |
| <b>Total</b> | <b>N/A</b> | <b>N/A</b>         | <b>N/A</b> | <b>6.77</b> |

81. Employers using indirect methods to inform existing workers of the right to join a trade union will need to send them an initial direct written communication informing of the location of the statement. They will also need to provide a similar direct written annual reminder in subsequent years. In both cases, employers will be able to include this information in an existing written direct communication. This means that there should be no additional material costs where employers primarily use printed paper for direct communications. Based on the above estimates we assume that around 336,500 employers will communicate the statement indirectly to existing workers via an intranet or digital portal or noticeboard, and will therefore need to inform these workers directly in writing each year (for instance by e-mail or hard copy) where the employers have made the statement available. We assume this would take up to 5 minutes of the relevant senior manager's time (a senior manager for employers with 5 to 9 workers, and an HR director or manager for larger employers). The estimated annual cost comes to **£0.99 million**. However, this is potentially a high estimate if managers can add the short location text more quickly. Costs could be higher for employers that do not have an existing direct written communication and need to use post.

**Table 10: Estimated annual cost of employers using indirect methods directly informing existing workers of the location of the statement**

| <b>Employer size<br/>(number of<br/>workers)</b> | <b>Number of employers<br/>using indirect methods</b> | <b>Unit cost estimate -e-mail<br/>(£)</b> | <b>Total cost<br/>(£m)</b> |
|--------------------------------------------------|-------------------------------------------------------|-------------------------------------------|----------------------------|
| 1 to 4                                           | 0                                                     | 0                                         | 0                          |
| 5 to 9                                           | 131,078                                               | 2.79                                      | 0.36                       |
| 10 to 19                                         | 95,741                                                | 3.03                                      | 0.29                       |
| 20 to 49                                         | 61,194                                                | 3.03                                      | 0.19                       |
| 50 to 249                                        | 38,120                                                | 3.03                                      | 0.12                       |
| 250 to 499                                       | 5,030                                                 | 3.03                                      | 0.01                       |
| 500+                                             | 5,304                                                 | 3.03                                      | 0.01                       |
| <b>Total</b>                                     | <b>336,467</b>                                        | <b>N/A</b>                                | <b>0.99</b>                |

82. The proposed policy requires that where a new recognition agreement or access agreement comes into place or one ends, the employer should provide the workers covered with an updated statement to reflect the change within 1 month. While we do not know the average numbers of recognition agreements made in a year, we expect them to be small, and primarily affecting larger employers. On average, the Central Arbitration Committee<sup>38</sup> receives 60 statutory recognition applications a year, of which around 17 result in statutory recognition agreements, and a similar number may result in voluntary agreements. We do not know how many voluntary recognition agreements are made outside the statutory system, but expect it will be higher, although still likely under 500 a year. There is not much information about the ending of voluntary agreements at employers, but we expect the number to be low. We expect that there would be a

<sup>38</sup> [Central Arbitration Committee \(2025\) Annual Report 2024-25](#)

maximum of 1,500 access agreements at any one time, and likely much fewer, though the ending of access agreements is likely to be more frequent than the ending of recognition agreements, and therefore the churn in such agreements is likely to be high. If there were up to 2,000 changes to arrangements a year, the additional cost is likely to be very low, at under £20,000 a year. Employers should also include generic contact details of the trade unions that they have recognition or access agreements with and provide an amended statement to workers when these details change. However, if these contact details are generic they should largely remain the same, so we would not expect very many cases of employers needing to provide updated statements.

83. The policy also requires employers to inform workers directly if they are changing the location of the indirect communication. We are unable to monetise this as we do not have evidence on how many employers will change the location of indirect communication. The cost is likely to be low, as we would expect that most employers would have established communications methods, and where communication is via an intranet or digital portal, a previous page URL can be linked with the new URL. Generally, the unit cost per employer of a direct communication is very low, and relatively few employers would be affected. Where employers are using noticeboards for indirect communications but change workplace location, this would involve a small cost (but if they use an intranet or digital portal relocating the workplace would not necessarily have a cost).

### **Benefits from the policy**

84. We are not able to monetise the potential benefits from the policy, due to the difficulty of quantifying them. 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 very 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 (though existing workers will regularly receive the statement, or be reminded of where the employer has made the statement available), 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.
85. 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.
86. 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 opportunities<sup>39</sup>. 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 unemployment<sup>40</sup>.

## Summary

87. See table 11 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 2025.

**Table 11: 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                                                                                   | 8.3                        | 8.2                          |
| One-off cost: preparing documentation to send to new workers: standard statement                                | 8.4                        | 8.2                          |
| Distribution cost year 1 (including informing existing workers of location of statement if provided indirectly) | 10.6                       | 10.4                         |
| Distribution cost subsequent years (including reminder of location)                                             | 7.8                        | 7.7                          |

88. 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:

- a. Total Net Present Social Value of -£85.5 million.
- b. Annual Net Direct Cost to Business of £9.8 million.

89. As the policy applies to all employers, estimated to total around 1.46 million in Great Britain, this shows that the estimated annual cost of this policy to individual employers is estimated to be very low, at under £50 for most employers.

90. The potential benefits from these proposed policy changes have not been monetised, because it is difficult to quantify the benefits of increased worker awareness of their right to join a union. There is evidence of problems of low pay, weak pay growth and insecure work in the UK labour market, which stronger unionised worker voice could help to tackle.

<sup>39</sup> [NIESR added value of trade unions literature review new format .docx \(niesr.ac.uk\)](#)

<sup>40</sup> Digital Futures at Work Research Centre (2024). [‘The economic effects of changes in labour laws: new evidence for the UK’](#)

However, there is also evidence of low union presence in much of the private sector, and of a lack of awareness of trade unions and what activities unions carry out in workplaces where they have a presence. The policy, by tackling this lack of awareness, can help informed workers decide whether joining a union/organising will be beneficial to them. The evidence suggests that trade union representation can have benefits to workers and households such as improved terms and conditions, including wages, reduced wage inequality, improved equality policies and improved family friendly policies. Unionised worker voice can also have benefits to employers, such as advocating for training, improved individual dispute resolution, improved staff retention, and communication of worker perspectives.

91. 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, this approach ensures that the statement communicated is not written in a way aimed at discouraging workers to join a union.

### **Costs and benefits to business calculations**

92. All employers across the economy will have to carry out the duty to inform workers of the right to join a trade union. For individual employers, we expect that the costs of complying with the requirement is low. This is because employers will be able to use their regular communication methods to provide the information to their existing workers, including indirect communication methods such as an intranet/digital portal or noticeboards. Direct communication methods are also generally low cost and will only be required annually. For new workers, the requirement is aligned with that for the written statement for employment particulars, making it part of the normal onboarding process. As the government is providing a standard statement of the right to join a trade union, it will be straightforward for most employers to download and distribute. There might be some small additional cost for employers with multiple recognised unions in adding the details of their recognised unions to the statement. As noted below, micro and small employers are less likely to use indirect communication methods but have lower numbers of workers and generally smaller workplaces, balancing the burden.
93. The direct costs of the policy are administrative for businesses.
94. The policy objective is that informing workers of their right to join a trade union will lead to some unionisation of workplaces, in conjunction with other Employment Rights Act reforms. Where that impacts the workplace, for instance where a union becomes recognised in a workplace previously without union presence, then the employer will need to adapt. Evidence suggests that there are more likely to be mutual benefits for the employer and workers where employers work with unions cooperatively, enhancing worker engagement<sup>41</sup>, which impacts positively on performance<sup>42</sup>.

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<sup>41</sup> [CIPD \(2022\) : Collective employee voice: Recommendations for working with employee representatives for mutual gain](#)

<sup>42</sup> [Engage for Success \(2009 - 2016\) - the evidence](#)

## **Costs and benefits to households' calculations**

95. 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 (as union members 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(s) 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 members<sup>43</sup>. Therefore, there is likely to be a broad, if small, benefit from being better aware across most of 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 (unionised workers have better holiday entitlement, higher provision of family friendly practices, higher pay and better equal opportunities practices)<sup>44</sup>. Therefore, the benefit will primarily occur for those workers who were interested in stronger collective worker voice and/or worker representation in their workplace and became more aware of and act on how to achieve that through receiving the standard statement.
96. Evidence discussed earlier indicated that younger workers are most likely to be unaware of their right to join a trade union, and what trade unions do, so these workers could be more likely to benefit from the Employer Duty.

## **Business environment**

97. The proposed policy will impose a low-cost administrative burden on employers and is therefore 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.
98. 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.
99. Some research suggests that unionised worker voice can have a positive impact on product and service innovation.<sup>45</sup>

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<sup>43</sup> [Trade union statistics 2025 - GOV.UK](#)

<sup>44</sup> [NIESR \(2021\) the added value of trade unions literature review](#)

<sup>45</sup> [NIESR \(2021\) the added value of trade unions literature review, Getting the Measure of Employee-Driven Innovation and Its Workplace Correlates - Felstead - 2020 - British Journal of Industrial Relations - Wiley Online Library](#)

## **Trade implications**

100. 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 for foreign-owned companies that go above and beyond those which are UK-owned.

## **Environment: Natural capital impact and decarbonisation**

101. 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

## **Other wider impacts (consider the impacts of your proposals)**

102. The main effects for employers, businesses, and households (covered earlier) will depend on how this policy enables workers to join unions and organise together at work, as well as how employers respond to such changes.

## **Risks and assumptions**

103. 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.

104. 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 have 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. 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.