



**HOUSE OF COMMONS**  
LONDON SW1A 0AA

4<sup>th</sup> November 2021

*Dear Constance,*

**RE: FIRE AND REHIRE**

Thank you for your recent correspondence in respect of your concerns regarding 'fire and rehire' tactics. I have read your comments on this with interest.

I am aware of reports of several businesses and industry sectors considering making large numbers of staff redundant. I appreciate that many businesses have been significantly affected by the Covid-19 outbreak, including those operating in the hospitality, leisure, entertainment, culture, travel, retail and transport sectors. I sympathise with anyone facing redundancy. Redundancy is never an easy process to go through, and it is important that those who have been made redundant are aware of their rights.

I am aware that Barry Gardiner MP introduced his Private Members' Bill, called the *Employment and Trade Union Rights (Dismissal and Re-engagement) Bill*, for its Second Reading on Friday 22<sup>nd</sup> October. The Deputy Speaker interrupted the business and I understand the Second Reading debate will be resumed on Friday 10<sup>th</sup> December. I was encouraged that the Minister for Small Business, Consumers and Labour Markets contributed to the debate before it was suspended and noted that Mr Gardiner's Bill would introduce measures which would affect the flexibility of the situation for employers seeking to make business-critical decisions. The Minister also highlighted that the Bill may result in costs for employers being so high that they choose an easier route, such as redundancy.

Therefore, although I appreciate your strength of feeling, I do not support the Bill, as ultimately terms and conditions of employment are a matter for employers and employees. Employers have the flexibility to arrange conditions of employment and should behave responsibly. It is completely unacceptable for employers to threaten to use 'fire and rehire' as a negotiating tactic to force through changes to employment contracts. However, there is already recourse for those who feel they have been treated unfairly. If an employee feels they have been dismissed unfairly, they should first check their rights (<https://www.gov.uk/redundancy-your-rights>) before they consider taking their case to an employment tribunal.

I welcome that the Government asked the Advisory, Conciliation and Arbitration Service (Acas) to conduct an evidence gathering exercise to learn more about the use of 'fire and rehire' practices. Acas has now published its findings and I am encouraged that the Minister for Small Businesses, Consumers and Labour Markets has asked Acas to produce better, more comprehensive guidance to help employers explore all options before considering dismissal and re-engagement. The guidance will help to set out best practice to employers who are considering how to solve problems that might require contractual changes.

The report showed that the practice of 'fire and rehire' includes instances where it has been threatened but not implemented, as well as companies dismissing and re-engaging employees. I understand that this is not a new phenomenon, nor is it limited to a particular sector or type





of employer. Acas acknowledged that while there was no quantitative data, there is a sense that fire and rehire had become more prevalent in the years before, as well as during, the pandemic.

The Government has been clear that an employer must exhaust all options available before considering dismissal and reengagement of staff. Regrettably, this is a complex issue and sometimes negotiations may fail and, in these circumstances, employers may need to dismiss staff, before potentially re-engaging with them.

More broadly, workers up and down the country have worked flat out during the pandemic, carrying out essential work to keep the UK economy going. It is vital that employers take their responsibilities seriously and act appropriately when it comes to discussions about changing employment contracts. The Government is engaging closely with businesses to ensure they are aware of what support is available.

Of course, I will continue to monitor the situation very closely.

Once again, thank you for having taken the time to contact me and if I can ever be of any further assistance to you then please do not hesitate to contact me again.

*With best wishes,*

**TOM PURSGLOVE MP  
MEMBER OF PARLIAMENT  
CORBY & EAST NORTHAMPTONSHIRE**