

PETER GIBSON MP



HOUSE OF COMMONS
LONDON SW1A 0AA

April 2021

Dear Constituent

Thank you for contacting me about “fire and rehire” tactics.

I am aware that there have been reports of several businesses and industry sectors such as the energy sector, 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 who is facing redundancy during the pandemic. 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.

You may be aware that a Private Members’ Bill which was been introduced by Gavin Newlands MP seeks to prevent businesses from adopting “fire and rehire” tactics. The Second Reading of the Bill is scheduled to take place on a date to be announced. 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. Companies should behave responsibly, and employers threatening to fire and rehire as a negotiating tactic is completely unacceptable, but there is already recourse for those who feel they have been treated unfairly.

While employers and employees must be given the flexibility to arrange the terms and conditions of employment, I expect all employers to treat their workers fairly and in the spirit of partnership and I strongly condemn the use of ‘fire and rehire’ as a negotiating tactic. I want to reassure you that I have nonetheless spoken to Ministerial colleagues to make sure they are aware of the concerns of employees. During this difficult time, it is only right that employers should act responsibly and therefore only use the Job Retention Scheme to protect jobs. I understand that the Government is urging employers not to use the Job Retention Scheme irresponsibly and thereby to make someone redundant on less favourable terms than they would otherwise have received.

I welcome that, to better understand the issues in relation to fire and rehire, the Government is working with Acas. As part of this, there have been a number of roundtables and discussions with businesses, employee representatives and other bodies to discuss the issues in more detail. This helped to build an evidence base which Acas has presented to the Government. I understand BEIS officials are considering options and next steps and Ministers will publish a report in due course. It is important that the Government continues to stand behind workers and to stop unscrupulous practices where they occur.

Member of Parliament for Darlington

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In addition, Ministers have reassured me that they continue to engage with businesses and stakeholders to identify what support is available during this pandemic. This has ensured the Government is kept fully aware of the latest developments with all firms and to understand where additional policy measures could address specific industry issues.

I will continue to monitor the situation very closely.

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

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Peter Gibson".

PETER GIBSON MP