



Department for
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Jane Hunt MP

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Darren Jones MP
Business, Energy and Industrial Strategy
Committee, Chair
House of Commons
London
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15 July 2022

Dear Darren,

This week I have had the privilege of stepping into my new role as Business Minister and I wanted to take this opportunity to write to you as Chair of the Business, Energy and Industrial Strategy Select Committee about two Private Members' Bills introduced into parliament this week, backed by the Government, which would increase participation and help support vulnerable and low-paid workers as we build a high skilled, high productivity, high wage economy.

Today, both of these Bills passed their Second Reading with Government support, and will continue to progress through parliament before receiving royal assent and becoming law in England, Scotland and Wales.

Neonatal Care (Leave and Pay) Bill

The Neonatal Care (Leave and Pay) Bill, introduced by Stuart C. McDonald MP, will allow parents whose new-born baby is admitted to neonatal care to take up to 12 weeks of paid leave, in addition to other leave entitlements such as maternity and paternity leave, so that they can spend more time with their baby at what is a hugely stressful time.

A baby who is born prematurely or sick will receive neonatal care in hospital or another agreed care setting – often for a prolonged period of time. This can put parents in a difficult position of having to use their existing leave entitlements to be by their baby's side, or worse, having to return to work while their baby is still receiving hospital care.

Once in law, neonatal care leave will be available to employees from their first day in a new job and will apply to parents of babies who are admitted into hospital up to the age of 28 days, and who have a continuous stay in hospital of seven full days or more. Neonatal care pay will be available to parents who meet the eligibility requirements of 26 weeks continuous service and who meet the Lower Earnings Limit.

Employment (Allocation of Tips) Bill

The Employment (Allocation of Tips) Bill, introduced by Dean Russell MP, will ensure that all tips go to staff by banning employers from withholding tips from their staff, and allows staff to bring a claim to an Employment Tribunal if businesses do not distribute well-earned service charges fairly.

This overhaul of tipping practices is set to benefit around 2 million UK workers across the hospitality, leisure and services sectors – who tend to rely on tips the most – and will help to ease pressures caused by global inflation and an increase to the cost of living.

Through the Bill, a new Statutory Code of Practice will be developed to provide businesses and staff with advice on how tips should be distributed. On top of this, employees will receive a new right to request more information relating to an employer's tipping record, enabling them to bring forward a credible claim to an employment tribunal.

The Government has previously consulted on and committed to reforms on tipping and the introduction of neonatal care leave and pay. I am grateful to Stuart C. McDonald MP and Dean Russell MP for introducing these Bills and for agreeing to work with Government to deliver these important reforms.

As a result of government action, there are now more employees on the payroll than ever before, and we will continue to build a high skilled, high productivity, high wage economy that delivers on our ambition to make the UK the best place in the world to work.

This Government is committed to maintaining a flexible and dynamic labour market which gives businesses the confidence to create jobs and invest in their workforce, whilst supporting and protecting workers and improving workforce participation giving workers more choice over how they work.

Yours ever,

A handwritten signature in black ink, appearing to read 'Jane', with a large, elegant loop at the end.

JANE HUNT MP

Minister for Small Business, Consumers & Labour Markets