



Hung parliament sparks Brexit and worker rights uncertainty

Jenny Roper, June 09, 2017

EU leaders expressed fear that the result will delay Brexit talks

A hung parliament election result has caused uncertainty over Brexit and those enhanced worker rights pledged by all major parties' manifestos.

The Conservatives look set to win 318 seats and Labour 261, meaning May is likely to have fewer seats than when she called the election.

The prime minister has said the country needs stability after the inconclusive result and that she intends to try and govern on the basis that her party won the largest number of votes and seats.

However, the Liberal Democrats have ruled out a coalition with the Conservatives, and May faces calls from both sides to stand down.

Tory MP Anna Soubry said May should "consider her position." Speaking as he was returned as MP for Islington North, Corbyn called on May to "make way for a government that will be truly representative of all of the people of this country."

Labour has said it also intends to form a minority government.

European Union leaders expressed fear that the result will delay Brexit talks, due to be launched 19 June, and raise the risk of negotiations failing.

Speaking on the Radio 4 Today programme after losing his seat in Sheffield Hallam, former leader of the Liberal Democrats Nick Clegg suggested MPs will either need to "find a cross-party consensus on a more moderate workable approach to Brexit or we will have to go back to the country maybe once or twice" until one party wins a majority, which would "devour" much of the two-year negotiating window.

Crowley Woodford, employment partner at law firm Ashurst, flagged the importance of employers supporting employees through further Brexit uncertainty. “This result has opened a can of worms and there will be yet more uncertainty for workers and employers who are already alarmed about a post-Brexit future,” he said.

Cary Cooper, professor of organisational psychology and health at Manchester Business School, agreed. “Given the uncertainty ahead, it is inevitable that job insecurity will rise dramatically over the coming months, fuelled by Brexit negotiations,” he told *HR* magazine.

“You couldn’t have constructed a worse ‘stress scenario’ if you planned it. We are likely to see people working longer hours, showing more face time and probably being less productive as they experience less balance in their personal life.”

Woodford added the unlikelihood now of workers rights receiving priority in the near term. “Whether May can now fulfil her grand promise of the ‘greatest expansion of worker’s rights in history’ may be called into doubt following the election result,” he said.

Alan Price, employment law and HR director of Peninsula, said however that important points of the election campaign, such as workers rights, are likely to be continued by the Conservatives as there is general support for change in these areas.

“Ensuring rights for workers in the ‘gig economy’ is an important focus for any future government and the Conservative-commissioned Taylor report into modern employment practices will report on these areas,” he said.

He added though that: “For now, businesses and employers are likely to find themselves in a further period of uncertainty until the future government and employment law initiatives are confirmed.”

Steven Cameron, pensions director at Aegon, said pensions would be put on the back burner. “With Brexit negotiations due to commence in days, the emphasis has to be committing even greater time and resource to arrive at an effective negotiating stance,” he said.

“While reforms of state pensions and social care funding featured heavily in the campaigning, they are now unlikely to be short term priorities. The Conservatives’ proposals on both issues are at odds with those of other parties, making them particularly challenging to push changes through parliament.”

The Conservative manifesto’s workers rights-related pledges included a continuation of May’s campaign on fairer corporate governance, with new rules for takeovers, executive pay, and worker representation on company boards.

Labour manifesto pledges included: to ban zero-hours contracts and unpaid internships; to raise the minimum wage; to give all workers equal rights from day one whether they’re part time or full time, temporary or permanent; and to abolish employment tribunal fees.

Richard Watkins, founder of collaboration experts Let’s Go, predicted that, in working together on possible coalitions and deals over the coming days, parties will be modelling a key tenant of collaboration: restricting scope.

“Putting clear boundaries on the task at hand makes it easier to collaborate,” he told *HR* magazine. “After the damage done to the Lib Dems in 2015, you saw leaders talk more about ‘case by case basis’ and ‘progressive alliances’ rather than coalitions and deals. Listen out for leaders coming out with very clear and careful caveats outlining limits of engagement.”

Watkins recommended politicians take heed of another key tenant: cooperating to avert immediate-term disaster. “Something that galvanises collaboration is the question: what happens if we don’t do this?” he said. “Chaotic times call for drastic measures and draw us up from petty squabbles into a shared higher purpose. Listen out for leaders amplifying the negative possibilities of not forming a coalition”.

“Given the immense challenges we face right now (specifically Brexit and terrorism), today is not the time to treat politics like a game,” added Tania Coke, senior mediation consultant at Consensio.

“We need to put aside bickering and recriminations after the election and make time to listen, explore and analyse the different viewpoints. We also have to move beyond entrenched positions and platitudes and be open to new possibilities and partnerships.”