

It would be difficult
at this stage to consider
of an on 104 weeks for
every one - (although I would
prefer it, but that is another
point). Is it

PRIME MINISTER

possible to have a different rule
for small businesses employing less than 100 people?

AMENDMENT BY ORDER OF THE EMPLOYMENT PROTECTION ACTS

Prime Minister

Do you agree Mr Prior's
proposals - which you agreed
in principle earlier subject to
consultation on the 18-21 year
olds (see Flag B)? But
Sir K. Joseph (Flag A) is still
pressing for 104 weeks for
the unfair dismissal
limit.

I minuted you on 7 June about this and your Private Secretary
replied on 11 June.

T2

4/7

I have now, as agreed, consulted the TUC, CBI and other
organisations, mainly of smaller employers, on the two changes
to the Employment Protection Acts which I intend to make by
Order. The changes I proposed were to extend the qualifying
period for complaints of unfair dismissal from 26 to 52 weeks,
with the possibility also of a further extension to 104 weeks
in the case of those aged under 18, and to reduce the notification
and consultation period required on redundancies of under 100
people from 60 days to 30 days. I have also, as we agreed, informed
Parliament of the consultations by answer to a Parliamentary
Question.

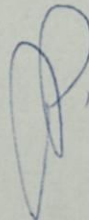
The proposed changes were welcomed by employers' organisations,
particularly those representing smaller businesses. While
several of this latter group favoured an extension of the
qualifying period for complaints of unfair dismissal to 104 weeks,
other organisations, notably the CBI, supported the proposed
period of 52 weeks. In the light of the views of the CBI and the
strong objections which the proposals encountered from the TUC I
am confirmed in my view that 52 weeks would be the appropriate
length for the qualifying period.

The majority of replies made no comment on the suggestion of a
qualifying period of 104 weeks for those aged under 18. However,
while it was favoured by some organisations of smaller businesses,
the CBI expressed the fear that the proposal would be seen as

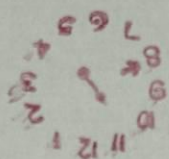
discriminating against younger workers and it was opposed by, among others, the Engineering Employers Federation. Moreover, my Department has little evidence that such an extension would improve the employment prospects of young people. I do not propose therefore, to pursue the proposal for a longer qualifying period for the under-18s in the context of the two Orders, but will give it more detailed consideration in the main review of the Employment Protection legislation which is currently underway.

X I intend therefore to proceed on the basis of an extension of the qualifying period for complaints of unfair dismissal to 52 weeks and a reduction in the notification and consultation period on redundancies of under 100 from 60 to 30 days. The Orders will be laid before Parliament within the next two weeks and should become operative on 1 October 1979.

I am copying this minute to the members of E(EA) Committee, the Chief Whip, the Solicitor General and Sir John Hunt.



J P
3 July 1979



3 JUL 1979

[Faint, illegible text, likely bleed-through from the reverse side of the page]