What are the Key Differences Between UK and US Employment Law?

Several of our US clients who are considering employing their first UK employee have asked us to explain the differences they should be aware of between US and UK employment rights.

Although we can't detail the entirety of UK employment law in a blog, here are a number of the key differences. Some of the rights will have qualifying criteria, and there may be some differences between the law in England and Wales and that in Scotland or Northern Ireland.

Legal obligations	UK	US
1. Family leave	Up to 52 weeks maternity leave. An absolute minimum of 2 weeks. Employees can also have paid adoption/paternity leave, share 'maternity' leave, and take unpaid parental leave of up to 18 weeks per child. Minimum statutory rates apply.	Up to 12 weeks unpaid leave for eligible employees per year.
2. Right to minimum annual holiday	Yes. 5.6 weeks (pro-rated for less than full time working and can include public holidays).	No. There is no federal or state statutory minimum paid holiday leave. Paid leave is at the discretion of the employer.
3. National minimum wage rates	Yes. Varies by age and if an apprentice.	Yes. Many states also have minimum wage laws. Where there are both state and federal minimum wage laws, the employee is entitled to the higher of the two.
4. Sick Pay	Yes. Guaranteed minimum sick pay for up to 28 weeks, on statutory rates.	No sick pay. Up to 12 weeks unpaid leave for certain medical conditions.
5. Right to a pension	Yes. Automatic entitlement to a workplace pension. Minimum employer contribution of 3% (combined contributions must be at least 8%)	No.
6. Right to healthcare insurance	No. National Health Service funded through taxes.	Should be provided by employees.

Legal obligations	UK	US
7. Protection from discrimination	Yes, for defined 'protected characteristics', i.e.: age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; sexual orientation, political opinion (NI).	Yes, US Workers are generally protected against discrimination under federal law on the basis of race, colour, religion, sex, sexual orientation, pregnancy, national origin, genetic information, retaliation or union activity.
8. Protection from unfair dismissal	Yes. After 2 years. Should at least follow the ACAS process.	No. There are no unfair dismissal policies in the US.
 Right to a written employment contract 	Yes. Must be provided on or before their first day of work and must include specified information.	No. There is no requirement for a written contract of employment.
10. Regulation of working hours	Yes. Limits apply to weekly hours, rest breaks and night working. Differences for young workers.	No. There is no regulation of working hours.
11. Right to work	Right to work status needs to be confirmed before the start of employment (EU/EEA citizens' automatic rights now depend on when arrived in UK).	A Visa and an Employment Authorisation Document is required before you are able to work in the US.
12. Right to join a trade union.	Yes, but no automatic right for a union to be recognised by an employer.	Labour unions are legally recognised as representatives in many industries in the US.

If you are a US employer looking to establish a UK presence, please contact our HR team at <u>info@ifteam.co.uk</u> for more detailed and specific help and information.

Here are a couple of useful UK sources of information:

<u>ACAS</u> (the UK Advisory, Conciliation and Arbitration Service) gives employees and employers free, impartial information and advice on workplace rights, rules and best practice,

The UK Government website