



10th September 2024

Rt. Hon. Jonathan Reynolds MP

Secretary of State for Business and Trade

Old Admiralty Building

Admiralty Place

London

SW1A 2DY

Dear Secretary of State,

We write to underscore the vital importance of safeguarding temporary agency work and professional contracting in the United Kingdom. This sector is a cornerstone of our labour market, supporting approximately one million temporary workers every day.

As you are aware, the UK economy thrives on the strength of a diverse and adaptable workforce, capable of meeting the evolving needs of a wide range of industries. Temporary agency work is a key enabler of this adaptability and offers several significant benefits:

- **Pathways to Employment:** For many individuals, temporary agency work provides an essential entry point into the labour market. It opens doors for those who face barriers to permanent employment, such as young people, individuals returning to work after a career break, or those transitioning to new careers. Often, these roles lead to permanent employment, allowing individuals to gain valuable experience, develop skills, and build successful careers. DWP found that eight of the ten best businesses for in-work progression are recruitment businesses.
- **Economic Resilience:** Temporary agency work strengthens the resilience of the UK economy by enabling businesses to continue operations during periods of uncertainty. The crucial role of temporary workers during the recent pandemic, where they kept essential services running, is a clear example of the sector's indispensable role in ensuring economic stability during crises.
- **Work-Life Balance and Individual Choice:** Many workers choose temporary agency roles for the flexibility they offer, which allows them to balance personal responsibilities, pursue education, or manage health conditions. This flexibility empowers individuals to align their work with their personal needs, fostering both satisfaction and autonomy.
- **The UK's competitive, flexible labour market is a growth enabler:** Professional contracting and temporary work enable business and the public sector to access scarce talent and emerging skills as and when they need it.
- **Business Flexibility:** Temporary agency workers allow businesses to quickly adjust their workforce in response to fluctuating demands, seasonal trends, and unexpected challenges. This adaptability is particularly crucial in sectors such as healthcare, logistics, agriculture, hospitality, manufacturing and education, where the ability to scale rapidly is often the difference between success and failure.

It is also important to recognise that temporary agency work in the UK is already a highly regulated sector. Oversight by the Employment Agency Standards Inspectorate and the Gangmasters and Labour Abuse Authority ensures protections that frequently go beyond those offered to directly employed workers.

The Agency Workers Regulations (AWR) 2010 provide robust safeguards for temporary agency workers, ensuring they receive equal treatment to their permanent counterparts after 12 weeks in the same role. These regulations cover essential aspects such as pay, working conditions, and access to facilities—maintaining fairness while preserving the necessary flexibility that benefits both workers and businesses.

Given the strength of the existing regulatory framework, we believe it is crucial that any future legislative or regulatory changes be approached in full partnership with experts in agency work.

Overly restrictive measures risk destabilising the labour market, potentially reducing flexibility, leading to higher unemployment and lower economic growth.

In light of these considerations, we respectfully urge the government to:

- **Recognise and safeguard the unique nature of temporary agency work** in future legislation, ensuring its continued contribution to a flexible and dynamic workforce.
- **Continue meaningful engagement with expert stakeholders** to ensure that any regulatory changes are well-informed, balanced, and preserve the essential flexibility of temporary agency work while upholding and enhancing workers' rights.
- **Promote awareness of the benefits of temporary agency work** as a legitimate and valuable form of employment, ensuring public perception and policy reflect its positive impact on the UK economy.
- **Focus on maximising positive impact on vulnerable and lower-paid workers**, being mindful of complexity and the risk of impacting growth through over regulation.
- **Better enforce existing regulations, ensuring they apply across the whole labour supply chain**, as a means of protecting the most at-risk and enabling good businesses to thrive.

Not all zero-hours contracts are exploitative, and not all flexibility is one-sided. Temporary agency work plays a crucial role in fostering a modern, adaptable workforce and is integral to the continued success of the UK economy.

We look forward to your support in ensuring that this critical sector continues to thrive.

Yours sincerely,



Andy Dunne
Managing Director

**The Employment Agents Movement
(TEAM)**



Kate Shoesmith
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Ann Swain
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Joanne Young
Chief Executive
Association of Labour Providers (ALP)

cc: Rt. Hon. Angela Rayner MP, Deputy Prime Minister