

IT'S HOL YOURS. DON'T LOSE IT

Warning for workers as deadline looms to claim for backdated pay

The clock is ticking on a crucial deadline for millions of workers to claim backdated holiday pay.

A landmark EU ruling means employees are now entitled to their normal salary, which is likely to include overtime, when they are on leave.

But the Government are introducing legislation on July 1 to head off the flood of backdated claims.

Employment law specialist Professor David Hoey warns that unless you act before then, you could be writing off 15 years' money.

David, of BTO Solicitors, said: "Holiday pay is a thorny issue and the Government want to minimise the risk to employers being crippled by significant liability for backdated claims. The new



TIME TO ACT
David Hoey



legislation means claims presented on or after July 1 can only go back two years at most.

Those lodged before July 1 could potentially involve a calculation that goes back to 1998 when the original regulations were introduced and certainly back five years, which is the period of limitation in Scots law.

"Claims after the deadline could be worth considerably less. It's an important milestone."

Under EU law, workers are entitled to four weeks' paid holiday a year. But three test cases at the Employment Appeal Tribunal in November concluded that the Government and UK firms have been interpreting the EU directive wrongly by offering basic pay only.

The logic behind the decision is rooted in EU health

and safety law to ensure workers are not put off taking a holiday because they will be paid less.

Unions have asked employees who haven't received the same pay during holidays as the rest of the year to contact them.

David added: "The law in this area is complex. But there is still an opportunity to bring claims before the Employment Rights Act is amended.

"The amounts can be significant in some cases, for example, where basic pay is supplemented by allowances."

Unison's Scottish organiser John Gallacher said they lodged thousands of claims on behalf of their 150,000 members.

He added: "All employers in Scotland have been paying workers incorrectly for holidays for years. We urge employers to negotiate settlements."