



CATHOLIC BISHOPS' CONFERENCE OF ENGLAND AND WALES
Office for Refugee Policy

1st March 2004

[BASED ON BRIEFINGS FROM THE T&G]

Bishop Patrick O'Donoghue, Chair of the Office for Refugee Policy, is supporting the Private Members Bill which seeks to register and license gangmasters (labour providers) operating in the UK. This is an important campaign to prevent illegal gangmasters from exploiting vulnerable workers, many of whom are migrants. The Bill is being promoted by Jim Sheridan MP, West Renfrewshire; and it received its Second Reading unopposed on Friday 27th February. The Committee Stage could be as early as the end of March.

GANGMASTERS LICENSING BILL 2004¹

The recent tragic deaths of 20 cockle-pickers in Morecambe Bay brought to light the exploitative nature of illegal labour providers, popularly known as gangmasters. The investigation into these deaths is ongoing but whatever its findings it is incumbent on us to ensure that those who lost their lives should be commemorated appropriately. First and foremost this must mean action to tackle the worst excesses of illegal gangmasters who underpay and exploit workers and leave them in debt when work dries up.²

Who are gangmasters?

Gangmasters have long been in operation carrying out work for and supplying labour to the agricultural, horticultural, fishing, food processing and packaging industries quickly and/or on a seasonal/temporary basis. It is estimated that there are at least 3,000 gangmasters operating in these sectors, employing at least 60,000 workers. These figures are based on the 2002 census of the horticultural and agricultural industries and do not include food processing and other related industries. The Home Office agrees that the real figures could mean many more gangmasters and workers. It is estimated that the gang labour workforce is comprised of approximately 70% indigenous workers and 30% migrant workers, many illegal.

What's the problem with gangmasters?

Although the work of gangmasters is legal and many are reputable, there is a growing concern that rogue gangmasters are exploiting workers – both migrant and indigenous. Evidence to the Environment Select Committee (September 2003) shows that exploitation is commonplace with workers being paid below minimum wages, forced to work long hours, charged punishing rents for poor accommodation and even suffering physically intimidation. It is also believed that illegal gangmasters are ignoring even the most basic health and safety legislation and avoiding paying their taxes (possibly up to £100 million per year). This was highlighted in evidence from the Department for Work and Pensions, Inland Revenue and Customs and Excise to the Environment Select Committee. According to the National Criminal Intelligence Service, the worst elements are also known to be involved in both human trafficking and drug smuggling.

¹ For details on the Bill and to read the Second Reading debate see: www.parliament.uk/hansard

² An interfaith memorial service led by Bishop Patrick O'Donoghue was held in the Cathedral Church of St Peter, Lancaster, on Sunday 22nd February 2004. The homily was preached by Archbishop Patrick Kelly.



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The human impact of gang labour abuse

The harrowing events in Morecambe Bay this month alerted the world to the operation of illegal gangmasters in the UK. Twenty cockle pickers are now known to have drowned in what was the worst workplace disaster this country has seen since Piper Alpha in 1988, stranded while working only to be swept out to sea.

Other tragic incidents involving workers organised by illegal gangmasters include: 3 workers killed in July 2003 when the minibus in which they were travelling to work was hit by a train on a level crossing; 2 workers who died on a fruit farm, also in July 2003, after they were caught in a rope-reeling machine.

The absence of a legally enshrined framework of monitoring and enforcement allows unscrupulous gangmasters to undercut legal gangmasters and exploit the workers they employ and supply. Evidence from around the country reveals exploitation is widespread viz.

- No written statements of employment particulars; infringements of the Agricultural Wages Board agreements, the National Minimum Wage, rights to paid holidays and statutory sick pay; rights to salary slips and protections from illegal deductions from wages; failure to abide by termination of employment obligations; breaches of working time regulation
- Substandard, overcrowded and overpriced accommodation (usually in houses with multiple occupation or porta-cabins and caravans); failure to provide tenancy agreements or rent books; abuse of tenancy rights with immediate eviction of workers upon termination of employment
- Use of underage workers
- Withholding of workers' personal documents
- Using the illegal immigration status of workers to deter them from complaining or seeking advice

In Norfolk, gang workers were paid just £3.00 to cut 1,000 daffodils. In Bristol accommodation arranged by a gangmaster involved 27 people living in one house; while in Suffolk gang workers were housed in a holiday camp that charged the gangmaster £70 per week for each unit of accommodation: the gangmaster placed five workers in each unit, charging each employee £35 per week. In Cambridgeshire gang workers were forced to live in partitioned containers which had no water supply. Rent and transport were deducted from the workers' wages before they were paid. One worker earned £164 per week, from which rent was deducted at £58.75. Another paid £83.85 and the rent deducted was £80.00. In the Midlands, a gang worker was charged £600 by a gangmaster for documentation that was never produced. In Norfolk, gang workers have reported receiving no statutory sick pay during periods of ill health, while in Kent gang workers have complained about being denied holiday pay.³

The voluntary approach has failed

In an attempt to tackle the problems associated with rogue gangmasters, two voluntary codes were introduced. Although well-intentioned initiatives, ultimately they failed. They did not reduce levels of exploitation of workers, nor did they entice illegal operators into operating transparently

³ T&G Workers Union Research 2003



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and within the law. The opinion of the industry is now that voluntarism must be replaced by a statutory solution.

The key reasons why the voluntary approach has failed are:

- Voluntary codes are not underpinned by credible enforcement and sanctions
- Voluntary codes do not allow reputable labour users to check whether labour providers are legitimate

Having failed twice, it is hard to envisage how anything other than robust law and robust enforcement will succeed in challenging the disreputable gangmasters elements. Without a register and a licence the Government has no means of monitoring the activities of gangmasters. As such, they are able to operate beyond the reach of the law **The Gangmasters Licensing Bill** is therefore seeking to:

- Establish an effective system for registering and licensing of gangmasters (specifically those carrying out work for and supplying labour to the agriculture, shell fishing and food processing & packaging industries in the UK)
- Make it illegal for gangmasters to operate without a license
- Make it illegal to use the services of an unlicensed gangmaster

Broad & growing support

This Bill has the support of a broad and growing coalition whose members include the National Farmers Union, major retailers including Tesco, Sainsbury's, Marks & Spencer, and Asda, the Recruitment Employment Confederation, the Trade Union Congress, Joint Council for the Welfare of Immigrants, National Association of Citizens Advice Bureau, etc. The Transport & General Workers Union however is taking the lead on this campaign.

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