

## ***Gangmasters and Labour Abuse Authority, UK***

<b>Title of the policy or measure (in English)</b>	Gangmasters and Labour Abuse Authority (GLAA)
• Country	UK
• Date of publication	November 2018
• Sectors	Agriculture and fishing
• What groups are targeted by the measure	<ul style="list-style-type: none"> <li>- Employers (directly targeted)</li> <li>- Workers involved in harvesting/gathering agricultural produce, gathering shellfish and processing/packaging agricultural produce (indirectly targeted)</li> </ul>
• Purpose of measure	Deterrence: improve detection
• Short sentence summarising the measure	Under the Gangmasters (Licensing) Act 2004 the Gangmasters and Labour Abuse Authority (formerly the Gangmasters Labour Authority, GLA) was established in 2005 to help prevent labour exploitation. The Act was set up to ensure that all labour suppliers in the agricultural and fishing sector hold a valid licence. The licence ensures that strict conditions are adhered to when employing labourers in the specified sectors to prevent exploitation.
<b>Background</b>	
• Background context driving the implementation of the measure	<p>In February 2004 23 Chinese cockle pickers drowned in Morecombe Bay in the North West of England. Prior to this, concerns had been raised that in a number of agricultural and horticultural sectors workers were being exploited and a Bill was presented to the House of Commons in January 2004. In July of the same year the Gangmasters (Licensing) Bill was adopted as Government Policy, resulting in the Gangmasters (Licensing) Act. The Act established the Gangmasters Labour Authority (GLA) - or GLAA as it is now known<sup>i</sup> - in 2005 to regulate labour providers and to protect workers in agricultural and horticultural sectors and to be subject to licensing controls. The GLAA's priorities include preventing worker exploitation, protecting vulnerable people, and pursuing those who exploit others for their work either financially, physically or through coercion and control<sup>ii</sup>.</p> <p>The GLAA's licensing framework created the licensing standards, which encapsulate all legislation the employers must adhere to so that workers are not exploited. Inspections are conducted against this framework, and decisions whether to issue a licence or revoke a licence are determined based on the outcome of such inspections. To do this, a team of officers are employed by the GLAA to ensure that businesses and licence holders are adhering to the legislation. The officers are able to investigate breaches in licensing standards and/or the committal of criminal offences under the Gangmasters (Licensing) 2004 Act. It became a criminal offence to operate without a licence in 2006.</p> <p>Details of successful licensees are held on a publicly accessible (online) register – this enables users of labour to ensure they are compliant with the Gangmasters (licensing) 2004 Act.</p> <p>The GLA was reviewed under the provisions of the Modern Slavery Act 2015. In addition to changing the name of the GLA to the GLAA, the Immigration Act</p>

	<p>2016 amended the Gangmasters (Licensing) Act 2004 to allow sectors to be included or excluded from the remit of the Gangmasters and Labour Abuse Authority so that the licensing regime can be flexible in responding to the changing nature of labour exploitation<sup>iii</sup>. The 2016 Act also appointed a Director of Labour Market Enforcement to provide strategic alignment with other UK regulatory departments e.g. the National Minimum Wage Unit of HMRC.</p> <p>The Immigration Act 2016 also provided the GLAA with more power to tackle labour exploitation across the UK, including providing specialist officers with policing powers to investigate labour market offences which fall outside of the GLAA regulated sectors<sup>iv</sup>.</p>
<ul style="list-style-type: none"> <li>When was the measure implemented? (including start date and end date/ongoing)</li> </ul>	<p>The initial legislation was set out in the Gangmasters (Licensing) Act 2004. The Gangmasters Labour Authority (GLA) was established in 2005 which was changed into the Gangmasters and Labour Abuse Authority (GLAA) under the 2016 Immigration Act.</p>
<ul style="list-style-type: none"> <li>Names(s) of authorities/bodies/organisations involved</li> </ul>	<p>Gangmasters and Labour Abuse Authority (<a href="http://www.gla.gov.uk">www.gla.gov.uk</a>)</p> <p>The Director of Labour Market Enforcement also provides strategic direction to organisations who both police and regulate the UK labour market including:</p> <ul style="list-style-type: none"> <li>- Gangmasters and Labour Abuse Authority</li> <li>- National Minimum Wage Unit of HMRC;</li> <li>- Employment Agency Standards Inspectorate at the Department for Business, Energy and Industrial Strategy.</li> </ul>
<ul style="list-style-type: none"> <li>Scope of the measure (a pilot project, nationwide, regional wide)</li> </ul>	<p>Nationwide</p>
<ul style="list-style-type: none"> <li>Type of (policy) measure</li> </ul>	<p>Other</p> <p>If "other", please specify: Legislation</p>
<ul style="list-style-type: none"> <li>Key objectives of the measure</li> </ul>	<p>The main objective of the GLAA is to work in partnership to protect vulnerable and exploited workers<sup>v</sup> which will be achieved by:</p> <ul style="list-style-type: none"> <li>- Preventing worker exploitation;</li> <li>- Protecting vulnerable people;</li> <li>- Tackling unlicensed/criminal activity and ensuring those licenced operate within the law.</li> </ul> <p>Furthermore, the GLAA has an additional 6 strategic objectives:</p> <ul style="list-style-type: none"> <li>- Target, dismantle and disrupt serious and organised crime/early identification of human trafficking;</li> <li>- Provide effective, meaningful engagement with stakeholders thereby enhancing reputation;</li> <li>- Work with industry to recognise and address non-compliance without formal GLAA intervention;</li> <li>- Tackle tax evasion, health and safety negligence, fraud, breaches of employment and other law/regulations;</li> <li>- Maintain a credible licensing scheme creating a level playing field and promoting growth;</li> <li>- Identify and tackle forced/bonded labour by licenced and unlicensed Gangmasters.</li> </ul>
<p><b>Specific measure</b></p>	
<ul style="list-style-type: none"> <li>Description of how the measure operates in practice</li> </ul>	<p>The process for licensing is as follows<sup>vi</sup>:</p> <ul style="list-style-type: none"> <li>- An initial application for a licence is made by a business or labour provider to the GLAA. The licensing scheme, developed as a result of the 2004 Act, applies to all workers, including agency/temporary</li> </ul>

workers; permanent workers; employees; self-employed persons; family members; voluntary worker and volunteers (an exclusion is applied to volunteers in connection with conservation work)<sup>vii</sup>.

- Verification checks with other government agencies take place and a decision is made on how to proceed.
- If the Gangmaster has not previously been inspected, the GLAA will undertake an inspection of the Gangmaster.
- If any issues arise during the application, verification checks, and or inspection process, the labour provider may have to change their practices to acquire a licence. The act covers 8 standards which businesses are required to pass, for example, pay and tax matters, health and safety, working conditions, recruiting workers and contractual arrangements etc.
- If all checks are passed, a licence is granted. The licence authorises a business to act through specified posts or through named individuals.

#### Post licensing

- The GLAA undertakes compliance checks, usually targeted, based on intelligence they have gathered.
- Details of all successful licences are held on the GLAA's public register.

- What resources and other relevant organisational aspects are involved?

#### Human Resource

For the 2018/2019 period, the GLAA is budgeted to employ 127 full time staff<sup>viii</sup>.

In 2016/17, the Gangmasters and Labour Abuse had 72 FTE staff<sup>x</sup>.

The GLAA Board consists of up to eight independent members and the Chair, all of whom are appointed by the Home Secretary. The board ensures that the GLAA is fulfilling its role and meet on a quarterly basis.

The board has also established a Liaison Group with worker and non-governmental organisation representatives<sup>x</sup>. This includes trade unions, charities and members representing victims and workers.

- What are the source(s) of funding?

In 2017 the Home Office announced that an additional EUR 2.2 million (GBP 2 million) of funding would be made available to the GLAA to enable it to perform the enhanced role specified in the Immigration Act 2016. The funding was planned to be used to resource more investigators<sup>xi</sup>. In 2018-19 the government has allocated the Gangmasters and Labour Abuse Authority a resource budget of EUR 7.3 million (GBP 6.55 million, and a capital expenditure budget of EUR 0.73 million (GBP 0.73 million<sup>xii</sup>).

Employers also pay an application/renewal fee and an inspection fee when they apply for a licence. At renewal, only the renewal fee is necessary. Fees are not required where a compliance inspection is required where information has been received to suggest that a licence holder may be operating in breach of the licensing standards.

Fees for the licence are calculated according to the gross annual turnover of the business which range from EUR 448 (GBP 400) per application/renewal fee for businesses with turnover of less than EUR 1.1 million (GBP 1 million) to EUR 2 192 (GBP 2 600) for application/renewal fee for turnover of EUR 11.2 million (GBP 10 million) or more. Inspection fees (also payable by companies) are additional and range from EUR 2 072 (GBP 1 850) to EUR 3 248 (GBP 2 900), respectively<sup>xiii</sup>.

Evaluation and outcome	
<ul style="list-style-type: none"> <li>Has the measure achieved its objectives?</li> </ul>	<p>The 2004 Act has enabled better working conditions for workers employed by Gangmasters. Through the licensing of intermediaries that provide labour to agricultural holdings, the number of undeclared workers has declined. Between 2008 and 2016 the GLAA convicted a total of 75 offenders. Convictions were also made for:</p> <ul style="list-style-type: none"> <li>- operating as a Gangmasters without a licence and/or possession of either false, improperly obtained, or documentation belonging to someone else (58 convictions)</li> <li>- Entering into arrangements with an unlicensed Gangmaster (24 convictions)</li> <li>- Obstructing a GLAA Officer (1 conviction)</li> <li>- Other offences (15 convictions)<sup>xiv</sup>.</li> </ul> <p>Furthermore, between 2006 and 2018 (up to the end of March 2018) a total of 32 licences were revoked with immediate effect, and 240 licences were revoked without immediate effect. Following this, the labour provider can apply for a new licence if they have resolved the outstanding issues.</p>
<ul style="list-style-type: none"> <li>Assessment method (including indicators used to measure its impact), and the outputs and outcomes achieved</li> </ul>	<p><b>Outputs:</b></p> <p>GLAA provide publicly available information on the following items<sup>xv</sup>:</p> <ul style="list-style-type: none"> <li>- Compliance inspections that have taken place;</li> <li>- Labour suppliers and labour users that are registered and licenced with the GLAA.;</li> <li>- Quarterly performance and insight reports which include a description of activity on business plan targets, intelligence and information sharing, the tasking process, the licence process, inspections and enforcement, and the GLAA website;</li> <li>- Modern slavery and labour exploitation training and awareness has been delivered to 4 500 supply chain/public sector staff from 238 organisations;</li> <li>- Human trafficking and modern slavery investigation training was delivered in 12 countries;</li> <li>- Annual reports and accounts have been published yearly since 2006 (10 reports).</li> </ul> <p><b>Outcomes:</b></p> <p>The Annual GLAA Report covering 2015/2016<sup>xvi</sup> outlined the following outcomes:</p> <ul style="list-style-type: none"> <li>- 2 952 workers have been protected from exploitation as a result of intervention from the GLAA;</li> <li>- The organisation has assisted in a number of operations across the UK which have criminal benefit totals in excess of EUR 13.4 million (GBP 12 million);</li> <li>- The GLAA secured the first Slavery and Trafficking prevention orders for labour exploitation in the UK;</li> <li>- 2 386 exploited workers in total received EUR 92 000 (GBP 82 000) for shortfalls in their salary.</li> </ul>
<ul style="list-style-type: none"> <li>What are lessons learnt and the key conditions for success?</li> </ul>	<p>Since the changes were made to the GLAA in 2016, it has been able to work more collaboratively with other agencies, as well as the ability to exercise “new police style powers to investigate and enforce labour market offences, including powers of search and arrest”<sup>xvii</sup>. This enables them to enforce the 2004 Act more effectively.</p>

The GLAA have also increased overall awareness of their powers and the rules set out under the Gangmasters (licensing) Act 2004.

- Level of transferability (e.g. other countries/groups/sectors)

The GLAA have recently provided support to Queensland and Victoria in Australia, who have recently passed legislation to create a similar licensing scheme to the UK. The GLAA also state that working in partnership with the two states could also provide 'ideas on how we can improve ourselves and better tackle exploitation in the workplace'<sup>xviii</sup>.

In order to implement the legislation, businesses in Queensland had a 60 day transition period from 16<sup>th</sup> April 2018 to apply for a licence. Now all providers in Queensland must hold a licence.

The legislation in Australia is similar to the UK in that:

- Providers of labour will be required to hold a licence;
- Businesses wishing to hire workers can only use licensed providers;
- License providers are required to pass a 'fit and proper test';
- A public register will hold licensed provider details;
- Civil penalties and criminal prosecutions will occur when operators breach the scheme;
- Newly established organisations will investigate compliance<sup>xix</sup>.

Other states should consider the provision of a specialist unit similar to the GLAA. For example, in Australia, 'Labour hire licensing Queensland' is managed by the Office of Industrial Relations.

The Country/State would need to consider the development of appropriate legislation to cover a similar programme. For example, in Queensland Australia, the Labour Hire Licensing Act (2017) and the Labour Hire Licensing Regulation 2018 have been developed<sup>xx</sup>. In June 2018, the Victorian Labour Hire Licensing Act 2018 legislation was passed in Victoria to enable the state to implement labour hire licensing.

In the UK, the 2004 Act currently doesn't cover nail bars, car washes and social care all of which have been identified as high risk for labour exploitation and modern slavery, however, the Immigration Act 2016 enables the GLAA to investigate sectors outside of the initial scope of licensing where criminal offences (as defined in section 3(3) of the Immigration Act 2016) may be alleged.

Other states would need to have knowledge of what sectors require additional legislative cover for undeclared workers. For example, the state would need to have a good understanding of:

- the nature of non-compliance with labour laws;
- the effectiveness of labour inspection and available sanctions;
- the extent to which such breaches can become offences of labour exploitation;
- where close cooperation with police may be required – or as in the case of the GLAA, Inspectorate SZW (NL) and OSS (BE) have the powers to investigate it.

States should also consider:

- A framework similar to the licensing standards to ensure a consistent inspection approach and assessment to underpin decision making;
- Assessments based on intelligence are essential to identify the highest risk industry sectors which may require greater regulation, a licensing control framework or a criminal investigation.

	<ul style="list-style-type: none"> <li>- Assessments based on intelligence are essential to identify the highest risk industry sectors to which greater regulation, where a licensing control framework or criminal investigation is required.</li> <li>- Developing an awareness campaign for business and the public on how to spot signs of exploitation so that they can assist in identification and prevention of worker exploitation.</li> </ul>
<b>Additional information</b>	
• Contacts	Darryl Dixon, Director of Strategy Email address: <a href="mailto:Darryl.dixon@gla.gsi.gov.uk">Darryl.dixon@gla.gsi.gov.uk</a> Telephone: 0115 959 7059
• Useful sources and resources	<p>Gangmasters (Licensing) Act 2004 – <a href="https://www.legislation.gov.uk/ukpga/2004/11/pdfs/ukpga_20040011_en.pdf">https://www.legislation.gov.uk/ukpga/2004/11/pdfs/ukpga_20040011_en.pdf</a></p> <p>Modern Slavery Act 2015 – <a href="http://www.legislation.gov.uk/ukpga/2015/30/contents/enacted">http://www.legislation.gov.uk/ukpga/2015/30/contents/enacted</a></p> <p>Immigration Act 2016 – <a href="http://www.legislation.gov.uk/ukpga/2016/19/contents/enacted">http://www.legislation.gov.uk/ukpga/2016/19/contents/enacted</a></p> <p>Weblinks Gangmasters and Labour Abuse Authority: <a href="http://www.gla.gov.uk">www.gla.gov.uk</a>. International Labour Organisation: <a href="https://www.ilo.org/global/topics/forced-labour/lang--en/index.htm">https://www.ilo.org/global/topics/forced-labour/lang--en/index.htm</a></p>
• Metadata and key words for online search	UK; Gangmasters Licensing Authority; Gangmasters (Licensing) Act 2004; Gangmasters and Labour Abuse Authority; modern slavery; trafficking; labour exploitation; vulnerable people; criminal activity; labour providers; prevention orders; labour exploitation training and awareness

<sup>i</sup> The Gangmasters Labour Authority was changed to the Gangmasters and Labour Abuse Authority (GLAA) under the provisions of the Immigration Act 2016.

<sup>ii</sup> Gangmasters Labour and Abuse Authority (2018) *'Performance and Insight Report'*. Available at: <http://www.gla.gov.uk/media/3587/glaa-performance-report-march-2018-public-facing.pdf>

<sup>iii</sup> Gangmasters Labour and Abuse Authority (2018) *'Parliamentary questions'*. Available at: <http://www.gla.gov.uk/media/3585/timms-140518-glaa-remit.pdf>

<sup>iv</sup> Gangmasters Labour and Abuse Authority (2017) *'GLAA Powers under the Police and Criminal Evidence Act (PACE) 1984'*. Available at: <http://www.gla.gov.uk/media/3120/gla-powers-under-pace.pdf>

<sup>v</sup> Gangmasters Labour and Abuse Authority (2018) *'Our Aims and Objectives'*. Available at: <http://www.gla.gov.uk/who-we-are/our-aims-and-objectives/>

<sup>vi</sup> The following information has been excerpted from <http://www.gla.gov.uk/i-am-a/i-supply-workers/do-i-need-a-glaa-licence/applying-for-a-glaa-licence/>

<sup>vii</sup> Gangmasters Labour and Abuse Authority (2018) *'Guidance on who needs a licence. July 2018'*. Available at: <http://www.gla.gov.uk/media/3626/guidance-on-who-needs-a-licence-july-2018.pdf>

<sup>viii</sup> Gangmasters Labour and Abuse Authority (2018) *'Parliamentary questions'*. Available at: <http://www.gla.gov.uk/media/3624/blomfield-250618-glaa-funding.pdf>

<sup>ix</sup> Gangmasters Labour and Abuse Authority (2018) *'Parliamentary questions'*. Available at: <http://www.gla.gov.uk/media/3213/jolly-180717-glaa-budget-and-staffing-levels.pdf>

<sup>x</sup> Gangmasters Labour and Abuse Authority (2016) *'Gangmasters Licensing Authority Annual Report and Accounts 1 April 2015 to 31 March 2016'*. Available at: <http://www.gla.gov.uk/media/2834/gla-annual-report-and-accounts-2015-16-pdf.pdf>

<sup>xi</sup> Gangmasters Labour and Abuse Authority (2018) *'CEO's Quarterly Report – January 2017'*. Available at: <http://www.gla.gov.uk/media/2868/gla-52-10-ceo-report-january-2017.pdf>

<sup>xii</sup> Gangmasters Labour and Abuse Authority (2018) *'Parliamentary questions'*. Available at: <http://www.gla.gov.uk/media/3624/blomfield-250618-glaa-funding.pdf>

---

<sup>xiii</sup> Gangmasters Labour and Abuse Authority (2018) '*How much does it cost?*'. Available at: <http://www.gla.gov.uk/i-am-a/i-supply-workers/do-i-need-a-glaa-licence/how-much-does-it-cost/>

<sup>xiv</sup> Gangmasters Labour and Abuse Authority (2018) '*Conviction totals*'. Available at: <http://www.gla.gov.uk/our-impact/conviction-totals/>

<sup>xv</sup> The following information is excerpted from <http://www.gla.gov.uk/publications/>

<sup>xvi</sup> Gangmasters Labour and Abuse Authority (2016) '*Gangmasters Licensing Authority Annual Report and Accounts 1 April 2015 to 31 March 2016*'. Available at: <http://www.gla.gov.uk/media/2834/gla-annual-report-and-accounts-2015-16-pdf.pdf>

<sup>xvii</sup> Ibid.

<sup>xviii</sup> Gangmasters and Labour Abuse Authority (2018). '*GLAA contributes to laws protecting workers in Australia*'. Available at: <http://www.gla.gov.uk/whats-new/latest-press-releases/04072018-glaa-contributes-to-laws-protecting-workers-in-australia/>.

<sup>xix</sup> Ibid.

<sup>xx</sup> Labour Hire Licensing Queensland (2018). '*Laws and compliance*'. Available at: <https://www.labourhire.qld.gov.au/i-provide-labour-hire/laws-and-compliance>