



**Unite response to the Consultation on the operation of the
Gangmasters Licensing (Exclusions) Regulations 2006**

This response is submitted by Unite the Union. Unite is the UK's largest trade union with 2 million members across the private and public sectors. The union's members work in a range of industries including agriculture, manufacturing, financial services, print, media, construction, transport and local government, education, health and not for profit sectors.

Executive Summary

- Every year there is an attempt to water down or introduce loopholes into the legislation. Unite is strongly against distracting attempts to water down the Gangmasters licensing regulations
- Unite believes that more industries should be included not excluded from the regulations
- If there are legitimate concerns from not for profit providers or member run cooperatives Defra should consider these under the licence fees consultation rather than exempting them from the minimum standards.
- Defra and the GLA should concentrate on compliance and bedding down the legislation.

The Unite section case in detail

1. Unite the Union is the only trade union to represent agricultural workers including those working in forestry in the UK. It is also the largest union in

the food manufacturing and packing sector. It is therefore the key stakeholder representing workers rights in those sectors covered by Gangmasters licensing regulations.

2. Unite played an instrumental role in setting up and supporting the Gangmaster Licensing Authority. In a relatively short time and with limited resources the GLA has shown itself to be effective and diligent in challenging the high levels of exploitation and abuses taking place in the food processing, shell fish, horticulture and agricultural sectors. In the UK today 1186 GLA licences are held by labour providers. Since the authority became operational in 2006, there has been a total of 70 revocations and 42 licence refusals and one prosecution for operating without a licence, with more prosecutions pending¹.

3. Unite strongly believes that this body has made a very welcome difference to some of the most vulnerable workers in the economy. This is a view shared by many of the labour providers operating under licences².

4. Since the GLA was set up there have been numerous rearguard attempts to undermine its role and its power to regulate the sector effectively. In particular the attempts to limit coverage using statutory instruments, the Hampton principles and the perpetual threat to merge the GLA with the Health and Safety Executive.

5. In essence the gangmasters licensing regulations have been about setting and enforcing minimum standards of employment and behaviour amongst agencies and labour providers supplying workers in the albeit limited sectors it covers. This has served the dual purpose of protecting workers and regulating the market to prevent the under cutting of labour providers that treat their workers appropriately.

¹ GLA press release August 2008 http://www.gla.gov.uk/embedded_object.asp?id=1013436

² GLA Evaluation Survey 2007 http://www.gla.gov.uk/embedded_object.asp?id=1013270

6. The GLA currently only governs a small part (around 10%) of the UK agency sector. The UK agency sector is estimated to supply 1.2 million temporary workers per week (down from a peak of 1.5 million in 2003-04); 700,000 permanent workers per week (REC 2007). It is worth around £25 billion (Demos 2007) and has grown four fold since the mid 1990s (Demos 2007) with a least 13,000 companies operating (REC 2006). The UK accounts for 1/3 of temporary/agency employment in Europe³.

7. There is strong evidence that the GLA has driven some of the most abusive gangmasters into other unregulated sectors such as construction. For this reason Unite believes that rather than calling for further exemptions the GLA's remit should be expanded to cover the whole agency sector especially those operating in the construction and care sectors where there is evidence of high levels of abuses.

8. Regarding the various options for extending exemptions Unite sees limited evidence to suggest a need for most of these and would be wary of any potential to open up exploitable loopholes in the legislation.

9. Unite agrees with the GLA that the definition of "farmer" should be tightened to ensure that gangmasters can be classed as "farmers".

10. Similarly Unite supports moves to clarify Exclusion 2 in order to make it clear that mainstream food processing and packing are not exempt from the regulations.

11. Unite does concede that there are some issues surrounding costs to non-profit organisations and genuinely cooperative businesses but suggests that this would be best tackled by offering reduced fees to these organisations rather than exempting them from the minimum standards legislations.

³ GLA Evaluation Survey 2007 http://www.gla.gov.uk/embedded_object.asp?id=1013270

12. Unite recommends that Defra supports the GLA in concentrating on compliance and bedding down the legislation rather than constantly tinkering with it. This would be best done through extra resources.

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