



Gangmasters Licensing Authority

Parliamentary Question – Recovery of lost wages

Date: 6 January 2014

Asked by: Paul Blomfield MP

Question:

To ask the Secretary of State for Environment, Food and Rural Affairs what proportion of the £397,000 lost wages to workers identified in Gangmasters' Licensing Authority operations 2012-13 has been recovered to date; and if he will make a statement?

Response:

In 2012-13 the GLA's investigations identified £397,000 in lost wages, through unpaid holiday pay and failure to pay the minimum wage. Although such non-payment and underpayment breaches the GLA's licensing standards, and may lead to revocation of licences, the GLA can only advise the employer to repay the money to the affected workers as the GLA does not have the power to recover any arrears of pay on behalf of workers. Where it does identify breaches of minimum wage legislation the GLA notifies the national minimum wage inspectorate (NMWI) which may investigate the matter further.

Therefore, it does not record numbers of workers whose exploitation it may have identified who subsequently seek compensation under civil law. A recent criminal investigation resulted in the court ordering the offender to pay compensation amounting to £57,801. The order was made in August 2013 and allowed the offender three years to make payment.

The GLA continues to pursue criminals who seek to exploit workers and a number of recent high profile joint operations with the police and others illustrates the success of these efforts. Where investigations lead to a successful prosecution the authority will seek redress for the victims of criminal gangmasters through the imposition of compensation orders and to deprive those gangmasters of the financial benefits of their criminal activity using the Proceeds of Crime Act.

George Eustice MP