



HOUSES OF PARLIAMENT

Joint Committee on Human Rights

Uncorrected oral evidence: Human rights at work, HC 1161

Wednesday 13 September 2023

3.15 pm

Watch the meeting

Members present: Ms Harriet Harman (Chair); Lord Alton of Liverpool; Joanna Cherry; Lord Henley; Dr Caroline Johnson; Baroness Kennedy of The Shaws; Baroness Lawrence of Clarendon; Baroness Meyer; David Simmonds.

Questions 29 - 51

Witnesses

I: Professor Virginia Mantouvalou, Professor of Labour Law and Human Rights, University College London; Alex Millbrook, lawyer, Kalayaan; and Kate Roberts, Head of Policy, Focus on Labour Exploitation (FLEX).

II: Margaret Beels, Director of Labour Market Enforcement.

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Examination of witnesses

Professor Virginia Mantouvalou, Alex Millbrook and Kate Roberts.

Q29 Chair: Welcome to today's meeting of the Joint Committee on Human Rights. We are a cross-party committee and a Joint Committee, which means we have members from the House of Commons and the House of Lords. This evidence session this afternoon is to continue our inquiry into human rights at work. We will be hearing from two panels of witnesses focusing our questions on labour market exploitation in the United Kingdom and Article 4 of the European Convention on Human Rights, which prohibits slavery and forced labour.

We have had a late start to this oral evidence session due to votes in the Commons, but we hope to run this panel of evidence until 4 pm.

We are extremely grateful for the expertise that we have giving evidence to us this afternoon on our first panel, which consists of Professor Virginia Mantouvalou, who is Professor of Human Rights and Labour law at University College, London. Welcome to Virginia, who has previously worked advising this Joint Committee on Human Rights before, and Kate Roberts, who is head of policy at Focus on Labour Exploitation, which is a research and policy organisation aiming to end all forms of labour exploitation, including forced labour and human trafficking, and Alex Millbrook, who is a lawyer at Kalayaan, a charity that many of us know does a great deal of good work on practical advice and support to migrant and domestic workers in the UK.

Welcome and thank you for coming to give evidence to us and for the work that you do in this important field. I will start with the first question, which all three of you perhaps could respond to. Article 4 of the European Convention on Human Rights prohibits slavery and forced labour. Does Article 4 cover labour market exploitation? Is it a human right in that sense not to be exploited, but in the work context? Who would like to start? Kate.

Kate Roberts: Thank you. As you say, that is a very broad question. I think, to give a very broad answer, it would depend on the particular violation that you were talking about and its extremity. I would say a human rights approach would be to ensure that our labour market enforcement we have in place in the UK does protect against violations of Article 4 as well as lower-level exploitation.

It is really important to consider exploitation on a continuum or a spectrum. FLEX is an anti-trafficking organisation so, as you said, it works to prevent trafficking for labour exploitation—so the extreme end. We are very concerned about structures that create risks of lower-level exploitation because, where lower-level exploitation can thrive and where workers are unable to access or exercise their rights in practice, it means that the standards everywhere are affected, that workers across the board have fewer options to exercise rights and that there is less prevention, including at the more extreme end.

We will talk about this more in this session: the example of overseas domestic workers and removal of rights from this group of workers in 2012 is, I think, an accurate case study of this happening.

Chair: Thank you. As you say, perhaps we can explore that further. Virginia, Article 4, what role does it have to play? Is it involved in this?

Professor Virginia Mantouvalou: Yes, very much so. Article 4 of the European Convention on Human Rights prohibits slavery, servitude, force and compulsory labour, as you mentioned. It concerns some of the most extreme forms of labour exploitation. It still is about labour exploitation. It is about labour market exploitation, but some of the most extreme forms.

We have instances of labour market exploitation that are covered and prohibited under Article 4. As Kate mentioned, there are other instances of labour market exploitation, which are widespread and routine, but they are not of the extremity of Article 4.

The UK Supreme Court in one of the cases on universal credit—I think it was the Riley case—said that what is at the heart of Article 4 of the European Convention on Human Rights is the prohibition of labour exploitation.

Alex Millbrook: I would concur with what my colleagues have said, but just to say that our experience is that clients who suffer some form of labour exploitation can actually then find themselves descending into Article 4 breaches. If there is no protection for relatively minor areas of exploitation, the risk is that their lives spiral downwards.

Chair: That is the point Kate was making, which means that you move into the zone that Virginia was talking about, which is breach. That is a very helpful way to look at it. Thank you.

Q30 **Baroness Lawrence of Clarendon:** Following on from what the Chair asked you, what evidence is there, if any, regarding the scale of labour market exploitation in the UK that may engage Article 4? We will start with Kate again, if you do not mind.

Kate Roberts: The most obvious evidence to me of that would be to look at the statistics from the national referral mechanism for identifying victims of trafficking.

I would like to qualify my answer by saying that the national referral mechanism statistic is not a perfect measurement at all, but it is out there. It is one of the measurements that exist and in the statistics for 2022, for last year, the highest number of referrals for adult potential victims of trafficking was for labour exploitation.

As I say, this is an imperfect measurement because it is a very high threshold. It is really important to say that many potential victims of trafficking do not actually consent. Adults have to consent to entering the

NRM and many adults do not consent. In the same year, 2022, the duty to notify statistics were the highest since records began.

Duty to notify is when a statutory first responder identifies someone as a potential victim, an adult—children do not have to consent—and if the adult does not consent to a referral the statutory body records that as a duty to notify. Those were the highest last year, which just shows that many adults do not see the NRM as working well for them. They do not see it as being in their interest. They do not see an NRM referral—

Chair: Just remind everybody what an NRM referral is.

Kate Roberts: I am sorry, a national referral mechanism referral. They do not see a referral to the national referral mechanism as being in their best interests so they do not consent, which is interesting in the context of the rhetoric we have seen around people—there has been rhetoric that people are abusing the modern slavery system. What the statistics show is that many people do not see it as being in their interest to be referred into the national referral mechanism.

However, as I say, the fact that the highest number for 2022 was for labour exploitation of adults is one piece of evidence. Also, the Low Pay Commission report was published today on compliance and enforcement of the national minimum wage. That estimated that over 300,000 workers were underpaid according to the national minimum wage in the month of April 2022—so that is the lower end of the spectrum.

I want to highlight that in that report, the Low Pay Commission says one major factor of low payment is the inability of workers to switch jobs, so they do not have that negotiating power. Obviously, that could be due to your visa restrictions or a lack of opportunity or not earning enough to be able to risk a break in your employment. So there is a range of reasons, but the commission found a lack of opportunity to switch jobs makes it very hard to challenge low pay.

Baroness Lawrence of Clarendon: Would you say that is the main cause of the lack of opportunity to switch jobs?

Kate Roberts: A lack of options generally throughout the spectrum makes it very hard to challenge exploitative working conditions.

Chair: In terms of scale, are you saying that the likelihood is that there is underreporting rather than overuse for abusive purposes?

Kate Roberts: Absolutely.

Chair: And the figures back that up. That is very interesting.

Q31 **Baroness Kennedy of The Shaws:** Ms Roberts, I was going to press you on the business of people not consenting to their case going to the national referral mechanism and that they do not do so because they do not have much confidence that it would be in their interests. I would like you to tease that out for us a little bit, because the listening public might

not know why somebody who is being exploited would not want to put themselves into the hands of the national referral mechanism, where they get special protections and so on. Why would that be?

Chair: Perhaps Alex can reflect on that as well.

Kate Roberts: I will try and be brief, so Alex can also speak from the practical perspective of Kalayaan. The main reason is the system is well known for its delays. People can often be kept waiting. To wait for a couple of years is not unusual. So when people enter the NRM, they do not know how long it will take. They are being questioned repeatedly about a very traumatic experience. Although a negative decision does not mean they have not been trafficked, I think people feel that their account has been questioned. They are not sure if they are being believed. I think people can find that quite traumatic.

There have been a lot of issues around the threshold of decision-making in the wake of the Nationality and Borders Act. The threshold for a first stage decision was increased and then legally challenged. That was settled and so the guidance has been rewritten.

However, many victims who need redress need to be able to work. They would like their unpaid wages. They are entering a system where they are going to be answering a lot of questions. If they enter safe house accommodation, they will be moved to anywhere inside the UK. They do not know where. They do not know how long it will take, and they will not get the right to work unless they are in a particular category of overseas domestic worker visa holders, which I will let Alex speak about.

Therefore, many victims of trafficking, who have very practical needs about being able to support their families and get justice, see this as a very open-ended system that is not actually going to result in any outcome for them, even if they receive a positive decision as trafficked.

Chair: Might they also fear that it would put them in further jeopardy or is that not the point, Alex? Actually, perhaps answer the question Helena put to you before.

Alex Millbrook: Just a couple of stats that we fished out yesterday. The mean time between a reasonable grounds decision and a conclusive grounds decision is 941 days for our clients and the median time is 786 days at the moment. That is taken from referrals in the last five years.

Baroness Kennedy of The Shaws: We are talking about between two to three years?

Alex Millbrook: We are. I would endorse everything Kate has said in relation to our client group. The primary driver for them to seek work abroad is to support their families.

Chair: Remind us who your client group are.

Alex Millbrook: Our client group are migrant domestic workers who enter on the overseas domestic worker visa. They may escape an exploitative situation. Their primary driver is to work to support their families. They will take the risk of working without documents in this country and they do not see the NRM as necessarily giving them the protection or the opportunity that they are seeking to look after their families—so there is that.

As Kate has mentioned, there is also sometimes a structural dependency on their employers and they just fear authority. They would rather not enter into that, and there is the traumatising effect. The fact is they feel so insecure and if they had a route by which they could leave an exploitative environment, work legally, seek redress for what has happened and come under the radar for statistical purposes or whatever, that would make a huge difference, I think, to their willingness to report their condition.

Baroness Lawrence of Clarendon: Professor, do you have anything to add to what we have heard already?

Professor Virginia Mantouvalou: Yes, thank you. I wanted to add that, in addition to this very important discussion on human trafficking and the national referral mechanism system and the fear that people face there and so on, there are also other categories of workers who may face labour exploitation, including some of the most severe forms of labour exploitation.

Of course, it is hard to have evidence on that, because very often workers who are very seriously exploited are hidden. They are very fearful and they have very few opportunities to change jobs and so on. However, there is evidence, for instance from the Resolution Foundation, that in other sectors, such as, say, care work or other people working through agencies, agency workers and workers on zero-hours contracts, that people in these categories of work are seriously exploited, even if they are not victims of human trafficking.

Of course, the human trafficking discussion is very important but there are also other categories of workers who find themselves trapped in serious labour exploitation. In fact, the Director of Labour Market Enforcement has commissioned a study with two of my colleagues at UCL as principal investigators, Ella Cockbain and Kris Pósch. I am a member of that team and we are looking at the extent to which there is wide-scale labour exploitation in the UK labour market. That will be a very big study.

We have the national referral mechanism and the human trafficking issues but there is evidence—and we are still looking for evidence, more evidence—of large-scale labour exploitation outside immigration and the national referral mechanism.

Q32 **Lord Alton of Liverpool:** Building on the reply that you have been giving us to the question that Baroness Lawrence asked about the scale of the problem, if you can tease that out for us as well that would be

helpful.

I would like to ask you to go further on what you have just said, Professor, about the way in which Article 4 violations can occur to all sorts of other categories of people. This is much wider even without the evidence—it is much wider than we might assume. Could you give us just a few examples of what you mean by that? The committee is especially interested in the position of children. Could you tell us what evidence you have about exploitation and violations of Article 4 concerning children?

Professor Virginia Mantouvalou: I personally do not have that, but I can look it up later.

Lord Alton of Liverpool: Perhaps you could write to the committee as well.

Professor Virginia Mantouvalou: Yes, I can write to the committee. In terms of other groups of workers, there is evidence, for example, on agency work, which is a type of work that was originally when we had agency workers, they used to cover specific short-term needs that employers had when someone was ill, for instance.

Well, nowadays in reports that I mentioned—and I can send to the committee later—from the Resolution Foundation, for example, what we see is that agency workers are used for various employers. Big businesses and universities use agency workers as their cleaners permanently because in this way they avoid some of the legal obligations that they would have if they employed workers directly.

This is not about child labour but about other examples, with evidence and numbers. There are hundreds of thousands of agency workers nowadays in the UK.

Lord Alton of Liverpool: That is a very helpful reply. Thank you. Perhaps your colleagues might want to add to that?

Kate Roberts: I would just like to add a few words on the increased use of very restrictive visas in the UK: work visas. I am sure committee members have seen a lot in the media recently about health and social care worker visas. Visas that are restricted in the scope of work, where the employer is also the sponsor, do make it very difficult for workers to raise complaints around exploitation, because in doing so they jeopardise not only their employment but their immigration status.

We are often talking about workers who have dependants. They have made big sacrifices. They may have many family members. They might have made financial sacrifices. They might have borrowed a lot of money to work in the UK. Then, when the work is not available or does not turn out to be as was promised, doing anything to jeopardise that work is very difficult if your visa is tied in any way to that sponsor. Even categories where in theory you can change employer, the actual practice of being able to do so when your visa sponsor is your employer is difficult.

Lord Alton of Liverpool: Thank you, Kate. Alex, could I ask you specifically about your experiences with Kalayaan? In an earlier inquiry by the committee we had some very compelling evidence from Kalayaan. A young woman, who had been brought to this country by her “employer”, came and gave evidence to us. She escaped and she eventually ended up in Piccadilly and was rescued by Kalayaan, literally dressed only in her nightclothes. We were shocked to hear her story. She was quite young but not a child.

Again, going back to the question that I asked about children: do you have any evidence that you are able to give us from the victims that Kalayaan has dealt with, whether any of them are underage and how would that kind of evidence come to light?

Alex Millbrook: We do not deal with child clients specifically. We would signpost them to the NSPCC, Barnardo’s or a local authority. However, we do not have a significant number—a handful every year—for whom the exploitation started as children.

We recently interviewed a client where the exploitation started when she was five. We interview them about their experience from that point until adulthood, when they come to us. They are exceptionally vulnerable because, of course, their education and their development generally has been arrested, usually from the time the exploitation starts, and so they have particular vulnerabilities that need to be addressed. They are particularly tragic cases.

Lord Alton of Liverpool: I think we are all pretty shocked to hear that someone as young as five could have been exploited in this way. It is the sort of thing Lord Shaftesbury tried to do something about in the 19th century. Again, without pressing you and not wanting to break any rules around anonymity, if you were able to share with the committee afterwards, again in writing, some case studies, we would all be appreciative.

Alex Millbrook: I will certainly look at that, yes.

Q33 **Baroness Meyer:** Continuing a little bit on the same question—maybe I will ask you first—is there any particular group of individuals who are more susceptible to being exploited in the workplace? If so, can you explain why that particular group?

Professor Virginia Mantouvalou: Obviously migrant workers are more vulnerable than other workers. It has already been mentioned that when domestic workers and agricultural workers come to the UK on a very restrictive visa, such as the overseas domestic worker visa or the seasonal worker visa, which we now have in agriculture and other sectors, they are much more vulnerable because it is very hard for them to change employer. They are also short-term visas. Short-term visas are problematic, so these workers are particularly vulnerable.

Women are generally overrepresented in zero-hours contracts and agency work, what we call precarious work. Women are more affected. In

domestic work the great majority are women. Even in agriculture, not a majority but they are there—so women are a group who are overrepresented in the groups in precarious work.

Domestic work is a particularly precarious sector, of course, because they are also invisible. They work in private homes. Very often they cannot be seen at all. Agricultural workers, too, work in remote locations, so it is not easy to see and to witness what their living and working conditions are like.

Q34 Baroness Meyer: Are there any particular groups coming from different nationalities? For instance, a lot of domestic workers come from the Philippines and perhaps in the Philippines they were brought up to be more polite, so are there any cultural differences that you can see in who is being more easily exploited?

Alex Millbrook: I would agree with what you say, yes. Where they do grow up in either a more patriarchal society or one where deference is still very much a cultural norm, certainly. There is also situational instruction, in that they are told—there is a training programme in the Philippines that is exceptionally crude, or can be, and it just says, “Well, don’t get pregnant, don’t mouth your employer and do what you’re told”. That is the extent of the training that they get.

There is also, of course, intimidation by employers. We do have workers where there is misrepresentation as to what will happen to them if they escape: “You’ll be put in jail, you’ll be deported”. They fear for their family and reprisals there. That sort of thing. A lot of intimidation can take place.

Baroness Meyer: In that category one could also add people, for instance, who have family at home.

Alex Millbrook: Yes, certainly those are the reports. I would also add that people who are homeless, and ex-prisoners, are also very vulnerable, situationally, and that is across nationality, for example.

Chair: Thank you very much. You are giving a clear account that if a worker is in a remote place, they are vulnerable; if they are in an invisible place like a home, they are vulnerable; and the restrictions that are put on visas, in order to enable the country to decide who comes here for what work is necessary, can then operate in such a way as to trap people and make them vulnerable and unable to actually protect their rights by leaving. That is a very important dimension for you to bring to our attention.

Q35 Dr Caroline Johnson: A couple of questions from what has come up, Chair. What sort of person brings over a domestic worker? Is it a common thing to bring people over to work in your home? How many people are affected by this each year? Give me a typical picture of the individual who would do such a thing.

Alex Millbrook: I can certainly give you some numbers for the overseas domestic worker visa. In 2019, 21,069 overseas domestic worker visas were granted to come into this country. In 2022, the number was 18,553. We think that is still recovering after the pandemic. To add to that would be diplomatic domestic worker visas as well. Diplomats commonly bring their staff with them, including domestic workers. Many of our clients are working for well-off and powerful, sometimes very powerful, families, typically from the Middle East but also from the Far East as well.

Dr Caroline Johnson: If I understand it rightly, you are talking about wealthy, powerful people who, instead of employing domestic workers at the domestic rate they would have to pay in the UK—the minimum wage and so on—are circumnavigating those laws by bringing people in from overseas and abusing them.

Alex Millbrook: Yes, that is certainly true. There is a general feeling that no national worker would probably go and work for these people, and they probably would not want them to work for them anyway.

Q36 **Dr Caroline Johnson:** Gosh. Another question I had that came from what was said by Kate earlier on. There seems to be a dispute over whether the national referral mechanism is overreported or underreported into. You said you had evidence that would support that it is underreported into. Could you write to us with that, so we have those figures?

The other question is: we have focused a lot on trafficking and Border Force and visas and such things, but I understand that quite a sizeable proportion of those who are referred into the national referral mechanism every year are UK citizens for whom the visas and the migrants are not an issue. Who are these people? What causes them to end up in these situations? Or do we not know?

Kate Roberts: UK nationals can also end up being trafficked. Obviously, there is not the immigration element, but vulnerability can still be created in similar ways. We have talked about where people are homeless. If people have a vulnerability, it can easily be preyed upon. People could be homeless, be unemployed, someone makes them a good offer, creates a dependency. There are infinite ways people can exploit someone else, get power over someone, make them feel in their debt.

Exploiting people through forced criminality is a way you could, for example, get power over someone else by saying, "You have broken the law, you can't get help. I'm the only one who can help you". It is not unusual for trafficked people to think that their trafficker was actually their friend, the person who supported them.

Q37 **Dr Caroline Johnson:** Thank you. There has been a lot of effort to try to prevent exploitation in the workplace by successive Governments. We have the Employment Rights Act 1996, the National Minimum Wage Act 1998, Working Time Regulations 1998, the Gangmasters (Licensing) Act

2004, and then the Modern Slavery Act 2015. There are also a multitude of enforcement agencies that have been set up. How effective are they and, if they are not effective, what is it that makes them ineffective?

Professor Virginia Mantouvalou: One of the problems, for instance, when the Modern Slavery Act was enacted—I remember that it was, I think, the first time I gave evidence to a committee in Parliament—there was a discussion about the overseas domestic workers visa at the time. A few of us brought it up as a problem: how can we say that we are addressing modern slavery if we do not change the terms of this visa that makes people vulnerable to exploitation? However, it was only very superficially changed following that. A report was commissioned—a very good report by James Ewins.

So, while on the one hand there is legislation and we have a good legal framework, as you mentioned, with a lot of laws in place, there are still other laws that make people vulnerable to exploitation, such as visa rules or the fact that we have zero-hours contracts, for instance, which make people vulnerable to exploitation because there is a lot of uncertainty when you are faced with poverty. This great uncertainty is a very big factor in what jobs you accept. There is also the universal credit system, whereby people may be forced and trapped into exploitative work that they would otherwise not want to accept. I can tell you more on that if you are interested.

Dr Caroline Johnson: With the universal credit system, the principle is that work will always make you better off, so why does the universal credit system, in your view, make people more likely to be exploited?

Professor Virginia Mantouvalou: There is evidence, which I can send later to the committee, that when people apply for benefits—nowadays we have a very harsh system of sanctions in this country—they have to accept the jobs that nobody else would want to accept because they are otherwise faced with sanctions and destitution. There is qualitative, empirical evidence; for instance, people saying, “I will do any job but not one of these zero-hours contract jobs” because there is so much insecurity when you do one of these jobs. You do not know if you can pay your rent and so on.

Dr Caroline Johnson: Universal credit would react to that. If you had fewer hours or more hours in a week or in a month, your payments would be adjusted accordingly. Nobody would be forced by a jobcentre to take any job that was below the minimum wage. How does it force you into these exploitative slavery situations?

Professor Virginia Mantouvalou: There are some practical issues with how the payments are made to universal credit claimants. Sometimes they find themselves with great difficulties getting their payments. I can send evidence to the committee on that later. The fact that people now have to accept jobs that are very insecure, few hours of work with a lot of uncertainty, does make them face very serious difficulties in covering

even their basic needs through their payments. I can send evidence to the committee later. There is a lot of evidence on that.

Dr Caroline Johnson: It will be interesting to hear that, because the principle of universal credit is that it is supposed to react to increases and decreases in wages, and it is supposed to make sure that everyone has a decent amount to live on. Alex, did I see your hand moving there that you wanted to contribute?

Alex Millbrook: If you are talking about the legislative framework, I could talk for quite a long time, which would be unfair. But I would like to point to something like the Working Time Regulations, which specifically exclude domestic workers under, I think, Regulations 4, 6, 7 and 8. I think that it is time, perhaps, that that could be revisited because many of our clients are reporting exceptionally long days, some of them working almost 24 hours with minimal sleep.

It is also of interest that both the United Arab Emirates and Qatar, in the last year or two, have both passed pieces of legislation legislating for a maximum working hour day. It may not be in force, but that is a different issue. None the less, I do think that this is an issue that could be revisited because there is a specific prohibition, or at least there is a specific exemption for domestic workers in the Working Time Regulations, on ways in which we ought to be protecting our domestic workers' health and their rights a little bit more specifically perhaps.

I would also reference that the United Kingdom did not ratify Convention 189, which is decent work for domestic workers, as produced by the ILO. There are many areas there where the legislation we have either excludes domestic workers or is just not enforced in this country.

Things like equality of treatment between domestic workers and other workers—I do not think that happens for my client group. The right to a written job offer of employment before they start—that does not really happen, or it is very difficult to achieve that. There is very little protection of autonomy in terms of how they live, privacy and their retention of identity documents. All those are in Convention 189. There is very little that you can do in this country to enforce those basic rights.

So it is not necessarily true that the United Kingdom has already addressed the issues that were so important to the ILO in drawing up that convention.

Dr Caroline Johnson: Kate, do you want to add anything about the legislative framework?

Kate Roberts: It is just to reiterate the issue of enforcement, because there is so little proactive enforcement in the UK. I am sure everyone has heard the ILO recommendation of at least one inspector per 10,000 workers. In the UK, I believe that we are at 0.4 inspectors. So there is a low likelihood of getting a proactive inspection.

Inspections do tend to be intelligence led, so again we are asking workers to take the risk and speak out, with the issues we have discussed as to why it is a risk for the workers. They may lose their employment as a consequence of doing this and speaking out and they do not trust that they will get redress.

Generally speaking, there is no access to legal aid for employment matters. If you are on a short-term visa, you are not likely to be here anyway to get to the employment tribunal. So, again, workers with dependants relying on their remittances will just make the calculation, "I'm better off to just put up with this and earn what I can because speaking out will get me into all sorts of trouble and I certainly will not get redress".

Q38 Lord Henley: You have been talking about the current legislative framework, particularly in relation to Article 4. Do you think that the current position is that the UK is compliant with its obligations under Article 4? It would probably be worth touching on Article 14 as well, which we have not yet. Are we compliant, again, with the current framework?

Professor Virginia Mantouvalou: For instance, in some of the most extreme forms of labour exploitation there are serious concerns about compliance. The UK overseas domestic worker visa is one example. The seasonal worker visa is another example where the legislative framework creates great dependency and vulnerability of workers.

There is evidence—Kalayaan has evidence, and other organisations—that there are workers who are vulnerable for other reasons as well, but because of such legal rules, immigration rules, they become particularly vulnerable and do sometimes fall victim to serious labour exploitation that may violate Article 4.

It may be that the legal framework is the problem, the immigration rules, on the one hand. On the other hand, it is also about the enforcement of the rules. As Alex mentioned, for instance, there are some safeguards in place in theory for domestic workers, but in practice there is a lot of evidence that it is not implemented. The safeguards are not implemented in reality. Workers may be given contracts in a language that they do not understand and other information before arriving in the UK and so on. So, yes, there are issues with Article 4, particularly with these immigration rules.

In terms of discrimination, I think, yes, there are examples of, I would think, gender discrimination and race discrimination. I mentioned earlier that in some of the most precarious work sectors there are many more women than men, but also people belonging to racialised groups. There are at least two cases that I came across recently of employment tribunals. One involved a domestic worker and the exclusion of domestic workers from the Working Time Regulations, and the tribunal found that there was an issue of gender discrimination there because of the legal

framework that excludes domestic workers. The great majority of live-in domestic workers are women.

On the issue of race discrimination, there is again a recent case where the employment tribunal said that the treatment of agency workers—because the great majority of agency workers, big numbers of agency workers, belong to racialised groups—constituted race discrimination. We have evidence from tribunal cases that there are issues of gender and race discrimination affecting the most vulnerable workers.

Baroness Kennedy of The Shaws: I think that my question has been answered if you look at it. We devise questions beforehand, and it was really just to say that the domestic visa system, particularly, does seem to create the potential for real problems here. I think that you, Chair, have already put that question.

Q39 **Chair:** How do you think the risk could be reduced then? You have in answer to our question set out the vulnerabilities, the exposure, the problems, the jeopardy. You have hinted at what might be the solutions. Could you itemise them in legal terms and in enforcement practicalities? What would be the solutions to the problems that you have identified?

Baroness Kennedy of The Shaws: The real problem with inspectorates is that we know that if you say, "I'm coming next week" it will all look marvellous. It is very difficult to inspect a domestic situation and to identify exploitation, it really is. How do you go about it when it is about what is happening in people's homes?

Kate Roberts: I do think that having secure reporting pathways is a large part.

Chair: Can you decode what "secure reporting pathways" is?

Kate Roberts: Obviously, there is no one silver bullet. You need a combination of things, but having clear ways so that people know who to report to and trust the body they are reporting to. What I am talking about particularly is having a separation of powers. When you are talking about people who are visa nationals, when they report to employment inspectorates or labour market enforcement bodies, they should know that their data will not be automatically shared with immigration enforcement. The employment matter they are bringing will be addressed as an employment matter.

Baroness Kennedy of The Shaws: It has always seemed to me that one of the ways is that you have to give good information to people as they are coming in. If they are coming into the country, they should be provided with good information about what their rights are while they are here in the United Kingdom and that they have access to different things and that some time is taken to say, "Keep this bit of paper with you. Don't let people take it away from you. Don't let people take your documents away from you, your passport. That's yours and it belongs to you and they must not take it from you and they're not entitled to take it". It is all those things, explaining to people what their rights are.

Kate Roberts: I agree completely. However, I do think that, when you are explaining to people their rights, you need to give them some guarantees so that they know that when they call this number, they will not end up having their visa cancelled as a result of doing that.

Q40 **Chair:** Could you itemise for us what the solutions are to the problems that you have identified? Presumably, one of them is the point that Helena has identified with telling people what their rights are. We will take that as one of those. Where would be the point at which they do that? Could you just focus on what the solutions are now?

Professor Virginia Mantouvalou: I think that there is a very clear, easy answer and solution to this. Until 2012 in the UK we had a domestic worker visa that worked really well. It was viewed as an example of best practice by the United Nations and the International Labour Organization. There was an unconditional right to change employer, so people could change employer. They had a right to stay in the UK for five years and then they had the right to apply for indefinite leave to remain. This is exactly what we need, an unconditional right. This was also advocated by James Ewins in his report in 2016-17.

Baroness Kennedy of The Shaws: You say that the world looked to us for our good practice—

Professor Virginia Mantouvalou: Yes, 2012. Until 2012 we had this visa that was viewed as best practice.

Baroness Kennedy of The Shaws: What happened?

Professor Virginia Mantouvalou: It changed in 2012.

Kate Roberts: The immigration rules were changed in April 2012. This is for the overseas domestic worker visa route. They were modified again in 2016 so that, in theory, domestic workers are allowed to change employer to another full-time job as a domestic worker in a private household, but they cannot apply to renew their visa unless they are found to be trafficked.

Obviously, if your visa is limited to six months and you have only a couple of months left, finding decent work as a domestic worker in a private household, which tends to be care work about personal relationships, is unlikely.

A recommendation we would certainly have at FLEX is that we need to not be looking at short-term visas as a model to bring workers to the UK. It is very hard to get information, to learn about the UK and to access your rights in practice.

Chair: When you say “not be looking at short-term visas”, what do you mean?

Kate Roberts: We are increasingly relying on short-term visas. We did have only—

Chair: What is the solution, then?

Kate Roberts: The visas should be renewable, depending on ongoing employment.

Professor Virginia Mantouvalou: And an unconditional right for workers to change employer.

Q41 **Chair:** Is there anything else around the enforcement or the inspectorates in terms of solutions?

Professor Virginia Mantouvalou: They need to be better resourced. I read—I think in an article by Sarah O'Connor of the *Financial Times*—that it has been estimated that employers are likely to be inspected by HMRC only once every 500 years.

Chair: So increased resources for enforcement, renewable visas and the right to change employer.

Alex Millbrook: Leaflet information is important. There is a leaflet available, but 88% of our clients do not receive it. It needs to be available in electronic form as well as paper form and there has to be privacy and confidentiality.

Chair: How would you suggest that they are given it: at what point? You have identified that they do not get it. At what point is there an opportunity to give it to them in terms of looking for proposals, for solutions?

Alex Millbrook: They are supposed to receive it when they sign the visa application form, which is usually done at a visa processing centre in the sending country. That is supposed to happen.

Chair: Is your proposal that they do it, as Helena has suggested, on entry to this country?

Professor Virginia Mantouvalou: No, the consul general of the country from where they come from.

Alex Millbrook: It would be difficult—

Chair: I am just trying to get to what your proposals are. Are you proposing that they receive the information on entry to this country in order that we know the information about those rights is in their hands?

Alex Millbrook: Potentially, yes, I do. I think that you need a multifaceted approach, because there are employers who are unscrupulous. There are employers who will hand over the passports of the entire party at entry. There is no opportunity then. You need to have a number of agencies that will be responsible for making sure they have the information and react to what they see in front of them. I know that is difficult, but the information is not being disseminated and it has been a government commitment since I think 2006 to provide this.

In terms of other things that we would ask for, perhaps sufficient information. Maybe there should be changes to the provision of legal aid and legal advice. The availability of advice is contracting at the moment under legal aid strictures and the fact that this legal work is just not economically viable for many firms. That is an issue as well.

Chair: You are proposing that there should be more availability for legal support—I do not want to put words into your mouth—to enforce their rights?

Alex Millbrook: There should be information and easier access to legal advice and sources of help. That could start with the information.

Kate Roberts: I also think that it would be hugely helpful if agencies were proactively enforcing repayment of workers where there have been breaches, even at a low level. So, where the national minimum wage is not being paid, that is enforced and payment made to the workers.

Chair: Is that a resource issue?

Kate Roberts: I think it is a resource issue.

Chair: That goes to your continuum point, does it not?

Kate Roberts: Yes.

Baroness Kennedy of The Shaws: If it is agencies that are doing this, one of the problems is that the agencies fill in all the forms and then they just get somebody to sign it. If included in the form is information such as you are suggesting, it never reaches the eyes of the person involved. If the agency were to be held responsible for not protecting its workers and not letting its workers know—if it would fall upon the heads of the agencies—it seems to me that there might be a bit of leverage.

What do you think about the agencies being required to ensure that the minimum wage is paid, that people are not having their documentation taken from them, that they know they can move to other jobs if they are being ill-treated and so on, and that they should not be working from morning until night?

Kate Roberts: I agree absolutely, but that does come down to proactive monitoring, as well as the enforcement around it.

Chair: It also comes to responsibility. Helena's point is should not the agencies be responsible, not just the employer who is ultimately receiving the work.

Baroness Kennedy of The Shaws: You put a burden on the agencies, so that they become your inspectors. They know that they will be fined if they do not make sure that the working situation meets certain standards. It seems to me that you cannot create an inspectorate that suddenly, out of the blue, turns up at people's houses. It is invasive. Other articles of privacy will be affected by that. It is about where you

create a responsibility or a duty that has consequences.

Professor Virginia Mantouvalou: Can I respond to what you just said? I think that one of the reasons that the UK representative at the time claimed that they will not sign the ILO convention on domestic workers was this issue of privacy, but there are systems in other countries where there is the possibility for the authorities to visit private households. There are safeguards for the employers' privacy.

The fact that someone works in a private household does not mean that the authorities should not be able to access it. There can be judicial safeguards in place. It is not about knocking on people's doors out of the blue and checking how they treat their domestic workers, but there are ways.

Baroness Kennedy of The Shaws: An Englishman's home is his castle. We know that.

Kate Roberts: For people on the overseas domestic worker visa there is no employment agency involved.

Baroness Meyer: On the issue of information, do you not think that our consuls abroad also have a responsibility to give out information on what you should watch out for if you come to the UK to work?

Alex Millbrook: This service is often outsourced to visa processing centres, which are separate from the embassies or consulate generals. I agree, but unfortunately there is an enforceability gap, if you like, because of the way the business is run now.

Chair: I turn now to Caroline Johnson, and that will then be followed up by a question from Doreen Lawrence. I think we will then bring this session to a close.

Q42 **Dr Caroline Johnson:** Thinking about domestic worker visas and the alterations that you are looking for, it seems to me that, if you have a family that move around frequently—such as someone moving for employment in the UK or a diplomat moving around—they may wish for continuity of employment to bring someone with them. You said 21,000. That seems like an awful lot of people. Can you use these domestic visas only when bringing somebody as you move to the UK, or can they also be used when you are already resident in the UK to bring in a new employee?

Alex Millbrook: One of the mandatory requirements is that, apart from diplomats, for private citizens their workers have had to work for them for 12 months before a visa will be issued.

Dr Caroline Johnson: Is that work for them overseas for 12 months?

Alex Millbrook: Yes.

Dr Caroline Johnson: That is helpful. Thank you.

Q43 Baroness Lawrence of Clarendon: Listening to all the things that have been said about the agency, I am sure that there is a language barrier somewhere along that. Once they are within the countries and the papers have been signed and documented, there is a language barrier for a lot of those people coming in. Who would be responsible for that?

Alex Millbrook: Do you mean a language barrier around documents being in different languages?

Baroness Lawrence of Clarendon: The documents and for individuals. They are fluent in the language of where they come from, but they have come here and, when they get to immigration, things are being said to them. I am sure most of the time some of the people do not understand because the language barrier is there for them already. How are they able to demonstrate what they have been told or what is expected, when they have no idea? Often, they just nod.

Alex Millbrook: The written leaflet is in different languages, but you are right. As has already been mentioned, generally these contracts are either in the language of the sending country or in English, and many clients have very limited English. There is a huge ignorance gap as well, which is a problem.

Professor Virginia Mantouvalou: An additional issue is that they often do not come from their home country here; they are already employed in some other country. For Kalayaan's clients, for instance, they may come originally from the Philippines. They may be employed in some other country in Asia or Europe and so on. They may already live and work in a country where they do not speak the language, and then they come here. Very often they are coming from a country where they do not speak the language, so you are definitely right.

Kate Roberts: Certainly, in terms of a more general recommendation, as well as access to legal aid and advice, funding for community organisations that speak a range of languages, that tend to be more trusted, would do a huge amount for people being able to come forward to a group they trust and get advice and information.

Baroness Kennedy of The Shaws: I have one final point. I should make a declaration, which is that I chaired an inquiry into trafficking in Scotland some years back, and domestic servitude was one of the problems that arose.

One of the things we came across was that families who had moved to and lived in this country, sometimes second-generation, and who visited their families—their forebears' places—would sometimes want the continuity of bringing somebody to work who was culturally associated with their family and their past. They would bring them to work here, sometimes on the basis that they paid the family back in the country of origin.

Very low wages were being paid. This was to help your family, and some young woman would be brought to wherever and the domestic servitude

was very real. They were expected to be up at the crack of dawn to prepare everybody's food and so on for the day, to pack lunches and all sorts of things, to get children ready for school and so forth, and then to clean the house and do everything inside the house, and then prepare meals all day long. If the people ran restaurants or whatever, they would still be there at midnight to make something for somebody coming back from having worked in the evenings in the restaurant.

It was working all hours, not being paid a British wage at all, with money being paid to a family back in wherever, without their documentation and having no idea about how to get out from under this. Often it ended up in the hands of the police because they would eventually run away. They would end up on the streets and then would go to the police.

How would they have acquired visas to come in? Someone suggested that you have to have worked with the family for a year or so. How would that be circumvented? We were making recommendations, but we did not ever hear how the visas were obtained. How would you obtain a visa for someone like that?

Alex Millbrook: Some workers may be brought in on visitor visas and there may be misrepresentations made to the entry clearance officer. That is quite common from some countries, particularly in the circumstances you mention where they want that cultural continuity. Sometimes they just want someone who can cook the same food.

Baroness Kennedy of The Shaws: Cook the food or to teach their children the language perhaps, because they are at a school where everything is in English.

Alex Millbrook: We always see a group of clients who believe they have come here on a valid working visa. They may have very low literacy levels. What in fact they have entered the UK on is a visitor's visa, and therefore there has been misrepresentation to both the worker and the entry clearance officer.

Baroness Kennedy of The Shaws: Then, of course, they live in fear of this.

Alex Millbrook: Yes. They may realise then, but they are so dependent. The employer will have created this whole edifice of dependency in terms of finance, immigration status and language. There is a lot of isolation and all those, of course, are indicators of Article 4.

Chair: Thank you very much indeed for giving evidence to us. I will draw this panel to a close by thanking you for your evidence. You have set out how, on compliance with the European Convention on Human Rights prohibition against slavery and enforced labour, there are major problems here, what the nature of those problems are and what some of the solutions are. We might follow up with some further questions in writing, but we are grateful to you for coming to us today and giving us that evidence. Thank you very much.

Examination of witness

Margaret Beels.

Q44 **Chair:** We will potentially butt up against some votes in the Lords, so we will crack on with this next evidence session. Thank you for waiting. We overran a bit because of the vote.

We now have Margaret Beels, who was appointed director of labour market enforcement in November 2021, having previously chaired the Gangmasters Licensing Authority and then oversaw the expansion of the Gangmasters Licensing Authority into the Gangmasters and Labour Abuse Authority. This has been a very important and evolving area of enforcement.

I would like to start by asking you to briefly outline what your current responsibilities are as director of labour market enforcement and, more generally, what role the Convention rights and human rights play in your work.

Margaret Beels: The director role was set up under the Immigration Act 2016. It sets out three things that the director has to do. One is to run an information hub to gather information about the extent and nature of labour exploitation. Then each year the director has to produce a strategy.

The strategy applies to three organisations. It applies to the national minimum wage team, which is part of HMRC. It applies to the Employment Agency Standards Inspectorate, which looks after agencies other than the agencies that are looked after by the Gangmasters and Labour Abuse Authority, which runs a licensing system for agencies that are employed in agriculture, horticulture, food production and, of course, shell-fishing. My strategy applies to these three organisations.

I have to produce a strategy each year, which in some sense is a slight contradiction because strategy usually aims at a slightly longer horizon than that. I have attempted to get around that by developing four themes, which have applied to the last two strategies and will apply to the next one, so that there is a degree of continuity. The first of the four themes is to improve the radar picture of the agencies. Are they getting the best information in order better to inform their work? Are they asking the right people?

Chair: Which agencies are you speaking about here?

Margaret Beels: All three.

Chair: We have been speaking about agencies in the earlier session, meaning agencies providing agency workers.

Margaret Beels: I will not use the word "agencies". I will call them enforcement bodies, if that is a bit clearer.

The three enforcement bodies are the national minimum wage team, the Employment Agency Standards Inspectorate, and the Gangmasters and Labour Abuse Authority. My challenge to them is this: are they getting the best quality information in order to inform their work?

The second theme that I have is about how effective and efficient they are. We are very well aware that budgets are tight, and we will come back to resources, I expect. My challenge to them is to try to make sure that they are making the best use of the resources that they have, that they are learning the lessons and that they are looking at how to learn from each other and become more effective.

The third theme is about working with businesses. I have a theory that, in general, statutory regulation is approximately two years at best out of date. By the time you have gone through all the processes associated with getting statutory regulations in place—the consultations and so on—there is a risk that you are solving a problem that existed two years ago and life may have moved on.

The people who really know what is happening now are businesses. How can I work better with business so that, if they are seeking to be compliant, we are helping them to do that? Obviously, there are always businesses that are not wanting to be compliant, and that is where you need the enforcement bodies to come in. But how can you work with businesses and with workers to try to ensure that workers are as well-informed as they can be about their rights, so that they go into the workplace knowing what their rights are?

I am particularly concerned about what we call precarious workers, which are the workers who are harder to reach. There are workers in, let us say, a unionised environment where they are getting good-quality information from the union, but that does not apply to the domestic workers that you have been talking about and it does not apply to agricultural workers. It very often does not apply to construction workers, and it may or may not apply to people working in the hospitality sector.

How can we reach out? What are the agencies that these people trust to receive their information, which very often can be locally based? That is the third theme, reaching out to businesses and reaching out to workers.

The fourth theme is about what I call joined-up thinking. You have statutory remits for the different bodies and, if they are enforcing something, it is important that there is a statutory backing to what they do. What goes on can go on in the gaps between the bodies and may involve other enforcement bodies that have powers that they do not have. It could be the Health and Safety Executive; it could be the Care Quality Commission; it could be Ofqual. Are they looking at how to plug the gaps between themselves and work collaboratively in order to address the issues?

Chair: You mentioned that workers who are unionised are less likely to be vulnerable and that they have a trusted body they can deal with. Does

that mean that you support the expansion of unionisation as a method of protecting people, in practice, from what otherwise would be vulnerabilities?

Margaret Beels: I see it as a very important channel. Trust is something that takes time to build up. I have done some work with the Leicester garment industry, where a big enforcement action started in 2020 and ran through until the end of last year.

One of the things that I came across there was work that was being done in the Highfields Centre. I do not know if any of you have come across it. It is a community centre in Leicester, where they have a lot of contact with local people who have built up trust in their advice. They are working with the unions to go out to the manufacturers of garments and, in a collaborative way, say to those who are running the businesses, "We can help you run your business more effectively and more safely", and linking to the workers.

It is interesting. The ethnicity of the workers in the garment industry can create a barrier, whereas the people in the community centre are of a similar ethnicity and therefore are trusted. This collaborative work with the unions I think is an interesting initiative, and I wish it well.

Q45 **Baroness Meyer:** Following on from your very interesting and well-presented introduction, how successful do you think the current legislation and policy framework for tackling labour market exploitation has been?

Margaret Beels: It gets better, but sometimes the challenges get bigger too. That is why I think it is really important that we think more imaginatively about the information to feed into the bodies.

I see that the three enforcement bodies over which I have a remit are working together more effectively than they did, and I think that that is encouraging. There are issues about resources, because they have been on flat cash for years, which means fewer people, and that is an issue.

In some ways, if you are a worker wanting to enforce your rights, you almost need a lawyer to advise you which body to go to in order to take your issues forward. Is it a health and safety matter? Is it a local authority matter? Will it be a national minimum wage issue? Do I have the right to a national minimum wage?

These things are very complicated for workers, and we need to do more to signpost things better. That was where I had high hopes for the single enforcement body, to try to produce that better signposting.

Baroness Meyer: That is a little of what the previous panel was saying: that we need to disseminate better information and more widely.

Margaret Beels: Yes.

Q46 **Baroness Kennedy of The Shaws:** It is lovely to meet you; I know of

your work, and it is so impressive.

I want to ask you about something you said before another committee that you gave evidence to here in Parliament. You said that one of the problems is that those seeking to exploit workers know the gaps between the different bits of statutory legislation. They know how to work the system, basically. What are those gaps? Could we explore what those gaps are, so that we can seek to fill them?

Margaret Beels: One of them is in the fishing industry. You have rules that apply within the 12-mile limit and then they do not apply beyond that. You get boats that navigate to make sure that they are not caught. That would be one example.

Going to the garment industry, there was a lot of press comment about slavery within the garment industry. The investigations that were undertaken did not reveal modern slavery that would pass the test of whether it is forced or compulsory labour, but it was definitely severe labour exploitation. For the employer, knowing how far to go without pushing into those realms would be another example.

Baroness Kennedy of The Shaws: Is that the sweat factory business and the business of distributing garments to be sewn in people's homes?

Margaret Beels: Subcontracting.

Baroness Kennedy of The Shaws: They are paid virtually nothing to sew together a pair of jeans, and they have piles this high of material sent to them.

Margaret Beels: Exactly. The adult social care industry is very high on my agenda at the moment. I am particularly focused on residential social care, but I think there are problems that go wider than that.

There you have the different jurisdictions. I think that the Care Quality Commission has a role, not only in looking after the care of the individuals but who is caring for them. I would advance the theory that, if the workers are not being properly cared for, that definitely will raise risks for the vulnerable people for whom they are caring. There is a need for better joined-up thinking between the different agencies.

Chair: That is a very important point, and perhaps one we can put to the Care Quality Commission the next time we see it.

Q47 **Joanna Cherry:** Good afternoon. Thank you for coming to give evidence at this important session.

Do you think that there is enough guidance available for the employers, especially small firms, to help them ensure that they comply with their obligations under Articles 4 and 14, and possibly also to put the fear of God into them about what might happen if they do not?

Margaret Beels: The answer to that will always be no, because you always have to be thinking about what you could do better. One of the things is to put yourself in the position of the business. If you are running

a small business, it is quite hard to keep on top of everything that you need to be on top of, so you have to be thinking all the time about how to interface with the business in a way that makes sense to it.

I know that the three enforcement bodies for which I am working now run joint webinars. They pick a particular topic—the most recent one was umbrella companies, and that is a big, risky area—to help people better understand what the risks are in interfacing with umbrella companies.

Where do you find the businesses? It is quite interesting. The national minimum wage team is now doing exercises where it goes out to a particular geographical area and writes to all the businesses—it is a bit like what you were saying about [*Inaudible*—to say, “We will be coming and operating in your area. Would you like a free health check before we come?” The ones who do not ask for it are ones that are higher up on the priority for getting a visit, because it demonstrates that you want to comply if you say, “I might not be getting this entirely right”. The teams works with the people, but there is the book to be thrown.

Joanna Cherry: That is a good model.

Margaret Beels: It is a good model.

Joanna Cherry: What about these webinars? Are they free?

Margaret Beels: Yes, and they are recorded, so if the time at which it is held is not convenient you can watch it elsewhere.

Joanna Cherry: Excellent. Thank you.

Q48 **Baroness Lawrence of Clarendon:** Thank you for being here. The International Labour Organization recommends that there should be one labour market inspector for every 10,000 workers. Do you think that the UK currently meets this recommendation?

Margaret Beels: Absolutely not.

Baroness Lawrence of Clarendon: What would you suggest that needs to be done?

Margaret Beels: It is less than half of that recommendation. It is quite difficult because you have to count up different people, and the three enforcement bodies for which I am responsible are only part of that. The Health and Safety Executive has a lot of inspectors who are relevant to this, but even if you count in the Health and Safety Executive inspectors, it is still at less than half the recommended level from the ILO.

Q49 **Baroness Lawrence of Clarendon:** I have another question. The International Labour Organization has also stated that the labour inspection system should be efficient and effective, with workplace visits as often as possible. Do you think that the labour market inspection in the UK is efficient and effective?

Margaret Beels: I think that it could be better. That is why theme 2 in my strategy is challenging them to think about their efficiency and effectiveness and to learn from each other. If one of the three enforcement bodies is doing one thing well, the other ones can learn. It is interesting that, on the geographical compliance approach, it was started by the national minimum wage team but the Employment Agency Standards Inspectorate is now partnering with it and going out on the same programme.

There is definitely more to be done. The Gangmasters and Labour Abuse Authority has recently issued a new strategy, and it will be much more focused on what it does. I think that that will be a good way of becoming more effective in both the regulation space—regulating the agencies that work in the food sector—and in its enforcement activities and being very much clearer about what it will do. I think that will help it to be more effective as well.

Chair: One thing that occurred to me, and it follows up a point that was raised by Baroness Kennedy, is around unannounced inspections. A lot of people will think the value of inspections is much less if the people being inspected are told in advance, “We are going to come”. If you are looking for labour market abuse and exploitation, those who are exploiters and abusers will surely do what they can before the inspection in order to conceal that.

This is something that we have raised with the Care Quality Commission around inspecting standards of care for vulnerable people in residential institutions. Why is it that inspectors under your purview give notice? Why do they not just identify where they think they want to go and do unannounced inspections, in order that they are more likely to see the reality of what is going on?

Margaret Beels: When I asked them that very good question they told me is that it is very important that the right people are on site so that they can hold them to account. In the case of the Gangmaster and Labour Abuse Authority, there is a principal authority, who is the person who is responsible for making sure that the licence conditions are observed. They will say it is important that the principal authority is there when they make their visit so that they can hold the principal authority to account.

Chair: Are there not two separate things—first, finding out what is going on, and, secondly, holding the responsible person to account? Why are they doing the second part but not the first?

Margaret Beels: They do drop in for visits—

Chair: Is that unannounced?

Margaret Beels: Unannounced. Previous strategies—

Chair: What is the difference between a visit and an inspection?

Margaret Beels: If it is checking whether they are compliant with their licence requirements, I believe notice has to be given.

Chair: This is what I am trying to probe. I understand that that is the practice, but I am sceptical about that, because you are trying to see whether there is wrongdoing.

Margaret Beels: My predecessor actively recommended that there should be more unannounced visits. If you look at the GLAA's own compliance strategy, you see that it includes making unannounced visits to premises.

Chair: Your predecessor's view was that there should be more unannounced visits. What is your view?

Margaret Beels: I agree with that.

Chair: So you think that there should be more unannounced visits.

Margaret Beels: Yes.

Chair: What is the point of an announced visit?

Margaret Beels: To make sure that all the information and the right people are there in order to make an efficient visit. That is the argument.

Chair: I really do not understand this, because you can only hold people to account for what is actually happening.

Margaret Beels: The gangmasters do not make announced visits when they are enforcing the Modern Slavery Act. That is not done through an announced visit.

Chair: Those are unannounced visits.

Margaret Beels: Those would be unannounced.

Baroness Lawrence of Clarendon: If you remember, we went to some garment places.

Chair: We did. We visited in 2017. We went to the Highfields Centre, as Baroness Lawrence said.

Baroness Lawrence of Clarendon: They knew we were coming and everything was spotless, I felt. If you remember the jeans place, the floor was clean and everything was spotless when we got there.

Margaret Beels: I think that you should always leave your pen behind and then have to go back the next day.

Chair: We also visited the Highfields Centre and met the team you talked about, and we reported on 5 April 2017, if people want to see that report.

However, we did attempt to go into various floors of a garment workers building and were immediately stopped. There was no sense of,

"Welcome. This is the work we are doing. We would like to show you". There was immediate stopping. When you have a non-porous situation, you know that there is exploitation there.

Perhaps you can write to us, to further amplify your views on unannounced inspections. Bearing in mind how sparse the resources are, we do not want any wasted time, and any inspection that is not getting to the truth and not establishing what is really going on is a waste of time and resources, and, worse, can give a false sense of assurance. It can give a reassurance that things are okay when they might profoundly not be. Announced inspections can be the enemy of the exploited worker by enabling the exploiter to engage in a cover-up.

Margaret Beels: There can be issues also around powers of entry. You cannot just walk in.

Chair: My point is this then: do you think that there need to be powers of entry? You have experience of what can work and what might need to change in order to work better. We are talking about proposals, as well as observations on the current situation.

Margaret Beels: I will send you something.

Chair: If you think the powers of entry are not enough, what is the point of people wasting their time going somewhere and seeing a situation that has been cleaned up? It is a waste of public money and gives false reassurance. If they need powers of entry, then we need to report to Parliament that there should be powers of entry.

Baroness Kennedy of The Shaws: If you have some reflections that you will send to us later, it would be interesting to know how often these visits that are not planned are—the ones that you mentioned that are happening more often. Are they pretty rare? Have you any numbers that you could give us?

Margaret Beels: I will have to go back to the Gangmasters and Labour Abuse Authority because I am strategy.

Baroness Kennedy of The Shaws: You are up there at the top, at the apex of this, so you will have to find out from some other people.

Margaret Beels: I do not control the operations, so I need to put that on the record. I cannot tell them what to do in a specific operation.

Chair: Thank you. We will move from garments to something rather different, the gig economy, and look to Joanna Cherry for the next question.

Q50 **Joanna Cherry:** Is it your experience that gig economy workers are more vulnerable to labour market exploitation, particularly looking at contraventions of Article 4 and Article 14?

Margaret Beels: Yes. A lot of gig workers are, of course, self-employed, and there have been interesting court cases, in particular around Uber,

which determined that its people were workers. There are a lot of companies providing private vehicle hire that still treat the people who accept work from their platform as being self-employed. There are all sorts of issues around employment rights, but if somebody is self-employed, they do not exist.

In that sense, the whole way in which employment is working now—how people are recruited and the employment models—is creating vulnerabilities. I heard the other day about a recruitment where somebody knew they had got the job because they were admitted to a WhatsApp group, and they knew they had been fired when they were removed from the WhatsApp group. It is quite shocking to think that that is how employment is viewed in some places now. The idea of safeguarding a worker's rights is fairly far down that.

Joanna Cherry: Looking to Article 14 and anti-discrimination law, I cannot help noticing that both in London and in Edinburgh, a part of which I represent, there are particular nationalities that are better represented—young guys riding around on bicycles delivering stuff and driving cabs, just to give two examples. Do you think that there are issues of discrimination there on top of the Article 4 exploitation?

Margaret Beels: Ahead of writing my strategy I do a call for evidence. We have just closed the call for evidence. One of the questions I ask is about whether there are particular groups that are more vulnerable, be that to do with ethnicity, gender or protected characteristics. I am trying to get some more evidence about whether there are particular groups that are discriminated against or more vulnerable.

We know about overseas workers who have come in, and there has been reference to the seasonal agricultural worker visas. It is interesting that some of the scheme operators are no longer recruiting from certain countries because they are so concerned about the vulnerability of the workers from those countries.

Joanna Cherry: One big problem with the gig economy is that people tend not to be unionised. We have also heard evidence this afternoon about the non-availability of legal aid for employment tribunals and no legal advice either. It is slightly different in Scotland. What improvements could be made to our current system to reduce the risk of exploitation to gig economy workers, and what improvements could we make to help them better enforce their rights?

Margaret Beels: You have the three categories. You can be an employee, you can be a worker, or you can be self-employed. I do not think that people understand the implications of those three statuses. One of the things that I would like to do is to look at what is going on in schools and how we can make our young people better informed when they go into the workplace. Obviously, employment law can change, but if they have a picture in their mind about what the right questions are to be asking, and understand how tax and national insurance works, they

can go in better equipped to start work. I think that is an area that we should be thinking about.

Joanna Cherry: It is a bit like one of the recommendations we made in our human rights inquiry when we said that there should be better education for people at all levels—right from school up, and not just for children but for adults as well—about their rights. I suppose that a lot of people who end up in the gig economy would not necessarily have gone to school in the United Kingdom, so we have to find a way to reach those adults as well.

Margaret Beels: There is the workers' rights qualification that the Gangmaster and Labour Abuse Authority helped pioneer, which is being rolled out in FE colleges and by employers themselves. You can also do the course online, and you do not have to go via an institution to get it. It just needs to be known out there and accessible.

Q51 **Lord Henley:** You have probably already answered the question I was going to ask. Do you think a single enforcement body might be better than all three? I think earlier on you implied that it would be better to move on to merging all three in one.

Chair: Did you?

Lord Henley: Sorry, I was not trying to lead.

Chair: I think that that is Lord Henley's question and we had better not assume the answer.

Margaret Beels: I think that the lack of a single enforcement body is an opportunity missed.

Chair: Does that mean that you think there should be a single enforcement body?

Margaret Beels: I am doing some thinking now about it. The idea of the single enforcement body came through Matthew Taylor's report, which was written in 2017, and things have moved on. I am now thinking about what we need now. Certainly, I would favour there being a single enforcement body. As to whether it would look exactly the same as the one that was originally conceived, I am developing my thinking on that. I think that there is a need to regulate umbrella companies for sure. There is a lot of abuse.

Chair: Just for the record, could you explain what an umbrella company is? It is not a company that might be in Leicester making umbrellas.

Margaret Beels: No.

Chair: It is a serious point, so if you could explain so that people can understand.

Margaret Beels: I understand.

Chair: What do you mean by an umbrella company?

Margaret Beels: You were hearing evidence before about employment agencies. You have a recruitment business that will recruit workers, but it does not necessarily then employ the worker who provides the service to the business. You get these intermediary companies that are called umbrella companies, which become the employer of the organisation, even though they did not recruit the person and they are not giving them day-to-day instructions about what to do.

They are devices that are undertaken, sometimes to save costs and sometimes to save on administration, but sometimes an umbrella company will accept a payment from a business for the work that the worker has done and then skim stuff off before the payment gets to the worker. They are intermediaries in the employment chain, and they are completely unregulated at the minute.

There is a particular scourge called mini-umbrella companies, and I apologise for the jargon. A mini-umbrella company is a company that starts up and, when it reaches a certain amount of turnover, winds itself down and starts another business and winds itself down. They get advantages in VAT and national insurance because they are small businesses, and they proliferate. Workers simply cannot enforce their rights against something that is a mini-umbrella company.

To go back to your question, I favour there being a single enforcement body. It should be enforcing the regulation of umbrella companies. It should be enforcing holiday pay. It should be looking after sick pay. It should be looking after modern slavery statements and making sure that they are meaningful. Those are the areas where I think that it should be working.

Lord Henley: Thank you very much. I think that that probably covers the last question.

Chair: Thank you very much. We are very grateful to you for the work you do, as well as for the evidence that you have come to give us today. It has been very disturbing evidence, and it will be important for us to look carefully again at what you have said and to also receive any further representations you would like to make to this inquiry.

We will produce a report on this inquiry about breach of human rights by way of labour exploitation, which will be reported to the House of Commons and the House of Lords by the end of this year. We are very grateful to you for contributing to it and thank you for that.