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Joint Committee on Human Rights

Uncorrected oral evidence: Human rights at work, HC 1161

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Watch the meeting

Members present: Joanna Cherry MP (Chair); Lord Alton of Liverpool; Lord Dholakia; Dr Caroline Johnson MP; Baroness Kennedy of The Shaws; Baroness Lawrence of Clarendon; Baroness Meyer; Jill Mortimer MP; Lord Murray of Blidworth; Bell Ribeiro-Addy MP.

Questions 64 - 93

Witnesses

I: Dr Carole Murphy, Director, Bakhita Centre for Research on Slavery, Exploitation and Abuse, St. Mary's University; Elysia McCaffrey, CEO, Gangmasters and Labour Abuse Authority.

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Examination of witnesses

Dr Carole Murphy and Elysia McCaffrey.

Q64 **Chair:** Good afternoon and welcome to today's meeting of the Joint Committee on Human Rights. We are a cross-party Joint Committee, which means that we have Members from both the House of Commons and the House of Lords.

Today, we will take evidence on two of our current inquiries. The first session will be on our inquiry into human rights at work, and the second will be on our inquiry into accountability for the crimes of Daesh.

For our first panel, we will hear from Elysia McCaffrey, the chief executive officer of the Gangmasters and Labour Abuse Authority, and Dr Carole Murphy, an associate professor and the director of Bakhita Centre for Research on Slavery, Exploitation and Abuse. Our questioning will focus on the extent to which UK nationals are victims of labour exploitation in the United Kingdom—in addition to foreign nationals; we have heard quite a lot about foreign nationals already—and issues of enforcement. I welcome our witnesses, Dr Carole Murphy and Elysia McCaffrey. I will kick off by directing the first question to Dr Murphy.

The data we have from the national referral mechanism indicates that UK nationals have been one of the most commonly identified potential victims of exploitation in recent years. Can you tell us why that is?

Dr Carole Murphy: Yes. If you drill down into the statistics, you will see that most of the referrals are for children who have been exploited as part of county lines and are involved in drug trafficking, from major conurbations to more rural areas. That has become a focus of police investigations, which is why more of these young children are being identified now and referred to the national referral mechanism.

The other potential reason is because children do not have to give consent to be referred. If they are under 18, they are automatically referred, whereas adults have to give consent. That is why we see that difference.

Q65 **Chair:** Are these significant numbers of UK nationals mainly children?

Dr Carole Murphy: Yes, absolutely.

Chair: I was looking at the data. From 2019 to 2021 it seems that UK nationals were the most commonly exploited across the UK, but in 2022 UK nationals were the second-most commonly exploited nationality after Albanians. Of course, we are waiting for data for 2023, but my understanding is that the quarterly data indicates that UK nationals were once again the most commonly exploited nationality in 2023.

You said that they were mainly children. What kind of percentage are we talking about?

Dr Carole Murphy: I do not have the exact figures on children right now, but I could send in some detail on that. I think it is about 20% of referrals, but I will send the exact figure.

When I did this research on British victims—we did not focus specifically on labour exploitation—I spoke to one young woman who was exploited as a young child in the early 1990s. She talked about how “going country”, as they called it at the time, was part of the exploitation that she was subjected to. So I would say that this has been going on for quite some time.

Chair: What was the phrase she used?

Dr Carole Murphy: Going country.

Chair: Going country? What did she mean by that?

Dr Carole Murphy: She meant the same thing as county lines, in that it meant going out of the big cities into country areas—more rural areas—to sell drugs. There is probably no huge amount of evidence for that, because it was not recorded as exploitation at the time, but it has most likely been going on for a long time and not been picked up. Because it is now seen as a form of exploitation, it is being picked up and identified by many people, including the police, the British Transport Police, social workers, et cetera.

Chair: It seems to me, listening to someone with your great degree of expertise in this area, that the issue of children being exploited by criminal gangs is a bit different from labour market exploitation, which we tend to think of as people being exploited by unregulated gangmasters. Am I right about that, or I am I getting it wrong?

Dr Carole Murphy: I think it is different, in the sense that the actual act is a criminal act. The children are being exploited to commit a crime, so it very clearly becomes about criminality.

In contrast, labour exploitation is much more hidden, because it is going on in various sectors, which Elysia may be able to speak to a bit more. Recent statistics produced for the NRM on labour exploitation of mainly British males between 2009 and 2019 suggest that most British nationals were exploited in the construction industry and that their median age is 35. It is very difficult to see those people because they are in a construction site or some other area of work. It is not like they are committing a crime, so they are not on the radar, so to speak.

Q66 **Baroness Meyer:** In that percentage of children, are Roma children, for instance, identified? Are they also being exploited in the labour market?

Dr Carole Murphy: Again, that is not my area of expertise—it is not a figure that I have to hand—but I can say that one person I interviewed from the British Transport Police mentioned Roma children being exploited in labour in the sense of selling tissues on public transport and that kind of thing. But I do not have any detail on that, unfortunately.

Q67 **Chair:** Can I ask about the sexual exploitation of children? That has had quite a lot of press coverage recently. Is it represented in the figures?

Dr Carole Murphy: Yes, absolutely. The figures are broken down into different forms of exploitation—labour exploitation, criminal exploitation, sexual exploitation, domestic servitude and combinations of those—so there are figures for sexual exploitation.

Chair: Could you let us have them?

Dr Carole Murphy: Absolutely.

Q68 **Dr Caroline Johnson:** Thank you. I am interested in what is happening to children. You said that children form a large proportion of those referred to the NRM, but that it is not entirely clear what the proportions are because they are automatically referred.

The figures that we have show that the number of children is nevertheless rising over time. How old are these children? Are we talking about 17 year-olds? Are they mostly male or female? How young are they? What sort of children—what sort of demographic picture—are most vulnerable?

Dr Carole Murphy: For criminal exploitation, they are mostly male. For sexual exploitation, they are mostly female. We are talking about very young children. I interviewed one young man who was exploited in London after being sucked into a gang. He was then coerced and controlled to sell drugs and carry firearms, and he ended up in prison. He was criminally exploited from the age of 12 or 13. He was in care at the time. When he spoke to his social worker about his exploitation—this is not to discredit social workers across the board—she did not believe him; she said, “You’re fantasising. You can’t be living that kind of life”.

There is enough evidence to say that the exploitation is happening with young children: those in their early teens and possibly even younger. The kind of children can vary, but for British victims we generally found that there was a history of problems, including domestic abuse, sexual assault, sexual violence, periods in care, and homelessness.

Another thing that came across really strongly in most of our interviews was that there was a history of missing episodes from school for these children, as well as from homes or care homes. Data on missing episodes from school would be important in order to follow that up and examine whether some kind of protective safeguarding interventions could be put in place much earlier to prevent these young people from being exploited when they are not in a school environment.

Q69 **Dr Caroline Johnson:** That is helpful. One of the things that strikes me about what you are saying is that most of these children, for one reason or another, will be on the radar of the local authorities. Why do you think that these children are not being picked up? Why are steps not being taken to prevent that, or—this might be a better question—why are the steps not being effective?

Dr Carole Murphy: That is a very difficult question to answer, in the sense that I cannot give an answer based on evidence. I can only speculate that, with the workloads of teachers and social workers, the resources are just not there to work with young children who have multiple, complex needs. The level of support that they need would be quite high.

This also needs to be a multi-agency issue, with schools working with local authorities, social workers, and mental health and other professionals to look at these children and find ways to support them more effectively, so that they are not falling through the gaps between different services.

Q70 **Dr Caroline Johnson:** That is good. What are the demographics of the individuals exploiting these children? Who are the children being exploited by?

Dr Carole Murphy: With criminal exploitation, quite often they are exploited by people who are known to them from the areas in which they are growing up. They might be areas with a lot of issues and poverty, in which it does not appear to people that there are a lot of options for them other than to get involved in this kind of exploitation.

That said, there is also a lot of coercion and control. Some of the people I interviewed feel very excluded from society already, and then older adults come along. I have just remembered one young man who said that the people who exploited him were like his family—he had no family, and they became like his family. He believed them when they said in the early days that they loved him and would take care of him. After the trust was built up, the control kicked in and he was exploited. That is one example.

Dr Caroline Johnson: So they are local but unrelated adults.

Dr Carole Murphy: They are local and unrelated. Sometimes they could be related; they could be wider family.

Q71 **Dr Caroline Johnson:** Who are the people most likely to be responsible for children being exploited in the labour market or being subjected to sexual exploitation?

Dr Carole Murphy: Quite a few respondents in the research were women who had been historically exploited sexually, going back to the early 1990s. The people involved in the exploitation could have been members of their family, but they were often men who they met in their local area. They were not known to them, but they befriended them and then started to exploit them sexually for profit.

One young woman was groomed online. That was how she met her exploiter. In that case, the exploiter was completely unknown to her before she went online. Generally, it tends to be people in the local area who see these young women as quite vulnerable. Those young women might be behaving in such a way that the exploiters feel that they can

take advantage of them, because they do not have adult supervision, especially if they are excluded from school for example.

Q72 Dr Caroline Johnson: Thank you. We have heard examples in the press of gangs of men, such as in Rochdale, who have had many victims. Is that the more common pattern, not only in Rochdale but in areas around the country?

Dr Carole Murphy: Again, my study on British victims was very small, so I am not able to say whether it was a general pattern. In fact, there was a contrast. Some of the women were indeed exploited by gangs of men who took advantage of them. In some cases, it was not just one gang of men; there was one gang of men and the women were then handed over to another gang of men, and so on. They were moved around and “sold”—in inverted commas—to other gangs of men.

There were other instances where there was online grooming by an individual, who was able to control them through the whole process of grooming and developing a relationship of trust—or what they felt was trust—before exploiting them.

Dr Caroline Johnson: Thank you.

Q73 Baroness Meyer: Are you saying that most exploited children are exploited for criminality or for sexual exploitation? Presumably, some are also hired in factories, so could you tell us more about that? Are there particular industries in which UK national adults are employed? We have heard a lot about the zero-hour and gig industries, but can you both tell us more about those issues?

Dr Carole Murphy: I will answer that as much as I can from the perspective of my small study. When I looked into labour exploitation, it tended to be people who had agreed to come into some kind of support and were at least identified by an NGO, if not referred to the national referral mechanism. They tended to be older men who had multiple issues: they had been homeless, had drug and alcohol problems, or had been in care.

A report on homelessness by The Passage a couple of years ago illustrates the way in which vulnerable homeless men can be picked up by exploiters. They tended to be exploited in the construction industry, and not just on big building sites; in some cases, they have been exploited in paving somebody’s front garden, for example, or building something small in a residential area—so not in the big organisations.

Baroness Meyer: Elysia, would you say the same thing? Would you say that the gig industry or the zero-hour industry is basically not UK nationals? Are UK nationals more in the construction companies?

Elysia McCaffrey: Yes, that is right. Thank you for having me here today. The majority of people we see through the Gangmasters and Labour Abuse Authority tend to be overseas nationals. It is quite rare that we see people who are UK nationals coming through our intelligence

system and through the investigations that we do. That is mainly because we focus a lot on agriculture, horticulture, food processing and packaging, where you tend to see a lot of migrant workers. It is also very rare that we get children reported to us. I am not sure it has happened in my time in post. We tend to see far more migrant workers than we do UK nationals.

Baroness Meyer: Is it because they are reported more easily than UK nationals, because there is a system?

Elysia McCaffrey: The sectors that we work in mostly tend to attract a lot of migrant workers. I think that is why. We fund, jointly with Justice and Care, a member of our team who we call a victim navigator, who helps victims through the system when they come to us and supports them if we go to court, and so on. At the moment, she has about 20 victims in her case files, and only two of those are UK nationals. That tends to be the proportion that we see.

Baroness Meyer: Do none of the stories we have heard—several years ago now, so maybe not—of underage children being exploited in a factory involve UK nationals? I would have thought they did.

Elysia McCaffrey: I would have to check. It is not an issue that I am aware of.

Baroness Meyer: Are you aware of any of this, Dr Murphy?

Dr Carole Murphy: No, not of children under 18 being exploited. The statistics that I have looked at just show adults in exploitation.

Q74 **Lord Murray of Blidworth:** Dr Murphy, what challenges could a UK national who is a potential victim of labour exploitation face when entering the national referral mechanism?

Dr Carole Murphy: The national referral mechanism—this is a finding from our research—does not work very well for British victims, for a number of reasons.

Before I answer the question, I should say that about half the victims of labour exploitation in one NGO I interviewed refused to enter the NRM, which they can do. They do that because they do not really see the benefits of entering into it, because it was set up with the idea of foreign nationals as victims. British victims are entitled to statutory support, so they can be sign-posted in that direction quite easily, although that does not work very well either, because sometimes local authorities say, "You're a victim of modern slavery. You need to go back to the safe house or the modern slavery victim care contract". So there is a bit of discrepancy there to do with who is responsible, and one of the recommendations in our report was to clarify that.

I had one case where a man was exploited in a recycling site for seven years. He was missed on a number of occasions, including on visits by the police. In his view, that was probably because he was British. They

could see that he spoke the language, and even though he was living in a caravan with no amenities, they did not ask those questions. So there is also the issue that, when police or other authorities come across British victims, they might not think that that person is a victim of modern slavery or human trafficking just by virtue of the fact that they are British.

Lord Murray of Blidworth: Is the consequence of that that the first responder does not identify them as a potential victim?

Dr Carole Murphy: Yes. The man I interviewed said that instead of spending seven years in exploitation he probably could have been found after three years, which was when the first site visit came. That is problematic. I hope that answers your question.

Q75 **Lord Murray of Blidworth:** It certainly has. What steps can be taken to address that?

Dr Carole Murphy: Coming back to the recommendations in our report, we recommended that there is statutory compulsory training for all first responders also to recognise that British people are being exploited in situations of labour as well as in county lines and child sexual exploitation. It is really important that that is recognised, but the training needs to happen.

Lord Murray of Blidworth: Would foreign nationals identified as potential victims of labour exploitation face similar challenges? Presumably less so.

Dr Carole Murphy: In that case—Elysia can probably speak to this too—they are probably more likely to be identified, because there is a belief that modern slavery tends to affect foreign national victims more, especially in labour exploitation. There is the GLAA, which has the duty to do these inspections and look for forms of exploitation, so they are more likely to be picked up.

Lord Murray of Blidworth: If you want to prosecute the enslaver, is it easier with a UK national or a foreign national as the subject?

Dr Carole Murphy: That is a very difficult question. Again, I can only speculate that, with a British victim, in some ways it might be easier, because they might have more access to statutory support than a foreign national. Also, it can get complicated if the foreign national is an irregular migrant and does not have the right to remain. Their irregular status complicates things, so it might take precedence over them being seen as a victim.

Lord Murray of Blidworth: Thank you very much.

Q76 **Chair:** Before we move on to a slightly different focus in our questioning, do you have any further reflections on the national referral mechanism and how it operates in general terms?

Elysia McCaffrey: Yes. Some of our victims who have been identified and gone into the national referral mechanism have had a really positive experience as a result of it. They have received fantastic support and it has helped them to be mentally well at the point at which we come to court. So we have had those experiences.

It is difficult, because the waiting time is quite long, which presents quite a challenge. Sometimes, if people have come here from another country and have been exploited, they just want to go home. They do not want to be in that system, or they have come here to work and do not want to be waiting for support or accessing support in a different way. It is really positive that we have had such good success with some of our victims, but it does not work for everybody.

Chair: Thank you. Dr Murphy.

Dr Carole Murphy: Picking up on Elysia's first point about the waiting time, that has become hugely problematic over recent years. It certainly did not take as long as it now takes. It can sometimes take over a year for somebody to get a positive, conclusive-grounds decision about their claim to be a victim of modern slavery. That is too long. As Elysia said, people want to work, or they want to go home.

Q77 **Lord Alton of Liverpool:** Thank you both for coming to give evidence. Moving on to the role of private companies in labour market exploitation, I want to ask you specifically about the 2015 legislation. There was solid support from all parts of the political spectrum and across both Houses of Parliament for the measures that Theresa May introduced when she was Home Secretary. It was regarded as a flagship piece of legislation.

Analysis carried out in, I think, 2022 by the Financial Reporting Council found that one in 10 companies failed to provide a modern slavery statement in line with Section 54 of that Act. Can you tell the Committee what more can be done to increase compliance with Section 54 of the 2015 legislation?

Elysia McCaffrey: I think there need to be serious repercussions for not complying with it. It is good legislation in many ways, because it gave the GLAA the powers that we have. However, it certainly needs to be strengthened in that area and there need to be consequences for companies that are not complying with it. It is too easy not to.

Dr Carole Murphy: Yes, and as well as introducing some kind of fines, there needs to be a mechanism for reviewing statements to identify the risks as well as best practice. Some companies report not just to say that everything is okay but to say that they have identified that there is an issue in their supply chain and that they are working on resolving it. But there is no mechanism for reviewing those statements, so they can just sit on a website and not be paid any attention. So it is kind of empty.

Q78 **Lord Alton of Liverpool:** That was a very helpful response. Can I drill down a bit deeper? In 2019, independent analysis of the Modern Slavery Act made a number of recommendations. If you are unable to respond to

them as I read them out now, perhaps in writing to the committee afterwards you could comment on what could be implemented best and what would be most useful.

The analysis said that: there should be mandatory reporting on all areas of interest, on planned future steps and on every stage of the supply chains; failure to report and failure to act should become an offence under the Company Directors Disqualification Act 1986 and lead to court summonses, sanctions and fines, among other measures; there should be a government-run repository on all statements, with reporting requirements extended to public sector bodies; and non-compliant companies should become ineligible for public sector contracts.

If you had to pull out one of those, which would it be? As I said, I would appreciate it if you could write to us afterwards about that. Those are not my proposals; they are part of the independent analysis done in 2019.

Elysia McCaffrey: I will take your invitation to write to you on those points.

Dr Carole Murphy: I can only say that I agree with the recommendations made in that report. There needs to be some kind of outcome for people who do not comply—

Chair: —or an incentive to apply their minds to it.

Dr Carole Murphy: Yes. If people are ineligible for contracts, for example, that might be the point at which they realise that they need to do something about it.

Lord Alton of Liverpool: It is quite a long shopping list, so when you write to us, can you prioritise which recommendations—if you could get the Government to do anything—would be the most important and would have the most impact, and in what order you would take them? Thank you very much.

Q79 **Dr Caroline Johnson:** I want to ask a quick question about the NRM and the awareness of referrals. You talked about the difference in referrals between the UK national and the overseas national. When you hear about this in the press, people most commonly talk about overseas nationals in relation to the Modern Slavery Act. Do you think there is enough awareness about the NRM as it relates to British citizens, particularly children, and the exploitation along county lines and the sexual exploitation that you described earlier? If not, what can be done for there to be greater awareness?

Dr Carole Murphy: Thank you for that question. It would be very helpful if the British public were made more aware of these issues. There was a recent piece in the *Guardian* about one of the young men I interviewed for my research in which he tells his story of exploitation. That is one step in the right direction. But I sometimes fear that some of the press are looking for sensationalised stories and not really drilling down into the nitty-gritty of the background issues that affect some of these young

people and push them into exploitation. Certainly, more awareness-raising for the British public would be most helpful.

Dr Caroline Johnson: Essentially, does that mean that a UK national who is a victim is less likely to get referred than an overseas national who is a victim?

Dr Carole Murphy: There have been cases, certainly in my study, where some of the victims were told that they were not going to be referred to the national referral mechanism because they are British.

Baroness Kennedy of The Shaws: They can use the existing statutory arrangements, which in some ways are better and easier to deal with.

Dr Carole Murphy: Yes, and that is fine. In fact, some of our recommendations were about using some of the statutory systems that are already in place for British nationals, but if they not referred to some kind of recording of the crime against them, in effect they become invisible.

So, again, there are some issues with the NRM being set up in the way it was, although I know it is under review at the moment. There needs to be some juggling to identify British nationals while also linking them to statutory support systems.

Q80 **Baroness Lawrence of Clarendon:** My question is for Elysia. Evidence to this inquiry suggests that enforcements against labour market exploitation could be improved. Do you agree? If so, how? If not, why not?

Elysia McCaffrey: I think it could be improved and that the answer lies with funding. The Gangmasters and Labour Abuse Authority, for example, is very small. We are just over 100 people. We have a national remit. We are a regulator—we regulate 1,100 licence holders—and we undertake enforcement activity right across the country. It is very difficult to do that with such a small number of people. The evidence on what the problems are is also quite patchy, and different organisations hold different information. By bringing that together, we could strengthen our response.

I think that the bodies working in this area do the best job they can with the resources that they have. They are efficient. We work well with other bodies, such as the national minimum wage team and the EAS, but this area needs funding.

Baroness Lawrence of Clarendon: So funding to support your work is the biggest problem.

Elysia McCaffrey: Yes.

Q81 **Baroness Lawrence of Clarendon:** What would you ask of the Government to improve the actions that need to be taken with your colleagues?

Elysia McCaffrey: There have been proposals for a single enforcement body, which would help to strengthen our actions and share resilience. We work closely with other bodies already, but bringing some of the bodies together in one place would be a really good action. Investing in the offices in which to conduct investigations and operations would also be good.

One of the things we struggle with in the GLAA is the powers that we have. We have enforcement powers in England and Wales, but we do not have them in Scotland and Northern Ireland, so if we encounter modern slavery issues there, we have to work with the police. The police are great, and they work with us, but it would be beneficial for us to have those powers. We also have powers to enter premises only in the small number sectors that we regulate. There are things that could be done to enhance our powers that would really help to make us more effective.

Baroness Lawrence of Clarendon: Thank you.

Chair: Some of my colleagues might want to follow up on that answer. Bell, I know you were interested in the issue of funding. Do you want to ask any supplementaries, or are you happy with the answer that we need more funding?

Q82 **Bell Ribeiro-Addy:** No, that covers it, unless there are other resources beyond specific funding that you think could be useful.

Elysia McCaffrey: I would really like the opportunity to do more research on what the landscape looks like and what else we could do to make a difference. With our organisation, intelligence comes into us and we act on it. That feels a little like we are being reactive a lot of the time, because that is necessary with the resources that we have. Having the ability to do more research, bring the data together and look at the challenges might enable us to work in a more proactive way.

Bell Ribeiro-Addy: Whose data would you look at?

Elysia McCaffrey: We would work with NGOs that collect data. We work with the national minimum wage team and the EAS, but there are other bodies, too, including the police and the National Crime Agency.

Bell Ribeiro-Addy: Would you want some kind of centralised system for you to have access to?

Elysia McCaffrey: Yes.

Q83 **Chair:** You talked about creating a single enforcement body. I think that one of my colleagues will ask you more about that. Looking at your organisation itself, you said that you need more resources and would like to be more proactive rather than just reactive. Did you say that you currently have around 100 or 120 staff?

Elysia McCaffrey: We have about 104 people in post at the moment.

Chair: What sort of percentage increase in your resources are you talking

about? I know that everybody is very strapped for cash at the moment, but in an ideal world, in order to do your job properly and be more proactive, what sort of increase do you think would be reasonable?

Elysia McCaffrey: Within those numbers, we have our finance team, our HR team and so on. These are not all officers working. Within that, about 24 of our colleagues are inspectors who conduct inspections in the regulated sector. It is not a huge amount we are asking for, but if we could double that and go from 24 to 50, that would make a big difference to us.

Chair: You need an extra 26 staff in the particular area you have described.

Elysia McCaffrey: Yes, that would really help us.

Q84 **Lord Murray of Blidworth:** In your annual report—the latest set of figures is from 2021-22—it was suggested that the target was the GLAA supporting 8,501 victims. The report suggests that, in fact, the GLAA conducted 315 investigations and identified only 6,024 potential victims. Is the shortfall due entirely to funding, or are there other reasons why you did not meet the initial target?

Elysia McCaffrey: It is quite difficult to have a target for victims, because you do not always find people. Sometimes we will do a big operation and just find a very small number of people. At other times we will do a small operation and find 100 more victims than we expected. It is quite a difficult measure, really.

Q85 **Dr Caroline Johnson:** You talked about your staff numbers of 104, 24 of them inspectors, and some finance people. To drill down into that, what are the other people doing?

Elysia McCaffrey: We also have about 30 enforcement officers within that. We have an intelligence team and some officers who can also do covert surveillance.

Dr Caroline Johnson: That is really helpful. Thank you.

Q86 **Baroness Kennedy of The Shaws:** I had some questions, which you have already answered, about your absence of resource and the fact that you would like to have greater resource and more people working for you in all these different capacities. You would also like to have greater powers. We hear that, and it might find its way into some report.

For the listening public, it may seem very strange that, here we are, looking at the workplace and human rights, and it seems to cover criminality, like youngsters drawn into gangs. It may be a form of work, but it is not what most people would contemplate. To some extent, there is a fusion of a whole set of different things going on here, such as the exploitation of women for sexual purposes. The original concept of dealing with modern slavery and creating the referral mechanism was to deal with a particular thing. It might help some of my colleagues to know this. I should declare that I chaired an investigation inquiry in Scotland

into the whole business of modern day slavery for the Equality and Human Rights Commission.

The mechanism was created specifically to deal with the fact that, often, people who were exploited were in fact foreign nationals. Then their immigration status became part of the question: were they being exploited, and should being a victim take priority over their immigration status? You had those two matters in competition. Therefore, the mechanism was to look at whether somebody was really being exploited and therefore whether we had in some way to take them out of the ordinary immigration considerations.

What had been happening was that the police would go into some place and find exploited women in a brothel, or they would be investigating drugs and find that there were sexually exploited women in the bedrooms as well, because crime tends to spread to cover all those things. So instead of just transferring them to get them sent back to where they came from, which was often back into the arms of traffickers, they were given this mechanism.

Do you agree with me that the mechanism does not work very well for people who are not being paid the proper wages, as the mechanism has a bottom limit on how cheap you can get your labour for?

Elysia McCaffrey: Yes.

Q87 **Baroness Kennedy of The Shaws:** It is important that people understand that. That is when you say that there are other statutory mechanisms. Employers who pay people below the minimum wage can be dealt with in other ways, rather than through the referral mechanism, which is really about dealing with that competition between immigration rights and whether somebody is being abused, and their human rights are being abused, by exploiters. Would you agree?

Elysia McCaffrey: Yes.

Q88 **Baroness Kennedy of The Shaws:** It is important that this is made clear to those who are hearing the evidence. Under the Modern Slavery Act, it was then seen that modern slavery does not have to apply just to those who have been brought into this country illegally and are being exploited. It can also happen to people who are in this country as well. That slightly muddies the waters for both of you, would you agree?

Dr Carole Murphy: Yes.

Elysia McCaffrey: Yes.

Q89 **Baroness Kennedy of The Shaws:** I see you nodding. The real challenges are where the immigration issues get caught up in the business of exploitation. Would you like that made much clearer for the work that you both do?

Elysia McCaffrey: Yes.

Baroness Kennedy of The Shaws: I see that Carole Murphy has

something to add.

Dr Carole Murphy: Thank you for the opportunity to speak about that. I want to quote somebody from my research who said that they are not getting the living wage, but is it slavery? They are in a situation where it is not regulated and it is a business from which they are getting a poor wage, but is it slavery? The question throughout this response was: is it slavery? That is where it gets very complicated, as you were saying. It might not reach the threshold for modern slavery, as it is outlined in the Modern Slavery Act—

Baroness Kennedy of The Shaws: It is exploitation.

Dr Carole Murphy: —but people are being exploited in a situation of labour in this country. That leaves everybody with the conundrum of where to go with the legislation. Maybe Elysia can speak to that.

Elysia McCaffrey: Lots of the victims we encounter do not necessarily see themselves as victims either, because they feel that some money is better than no money, or they worry about their immigration status.

Baroness Kennedy of The Shaws: They do not want to go above the radar.

Elysia McCaffrey: They do not want to talk to us. We are a part of government, so they are afraid of us. Quite often, people think that they accepted the wage and knew what the wage was, or that they accepted those conditions.

Baroness Kennedy of The Shaws: They do not know that they have rights.

Elysia McCaffrey: Absolutely.

Q90 **Baroness Kennedy of The Shaws:** Can I mention something else, domestic servitude, which comes into this business of human rights and the workplace? Domestic servitude is quite difficult to access, because it is about people who are working in a very private circumstance. One of things that shocked us, certainly looking at it in Scotland, was the way in which people often had their passports taken. They were frightened to go to the police because they came from countries where that is not what you would sensibly do. Do your powers of being able to suddenly appear at a premises involve domestic situations as well, or are they harder to deal with?

Elysia McCaffrey: We do not have powers in domestic settings, but we can intervene if we get a call about an issue like that. As you rightly highlight, it is really hidden. People just get stuck; they do not know where to go, how to get out or how to move forward. Also, because these situations happen behind closed doors where we rely on information from the public or from other bodies, that information just does not come through. We can take action in those situations, but it is not that visible to us.

Q91 Lord Alton of Liverpool: Can I ask you about the Gangmasters and Labour Abuse Authority? My recollection is that it was created in 2005, the year after—I live in the north of England—what happened to 21 cockle pickers in Morecambe Bay. They drowned and the Chinese gangmaster was convicted of manslaughter.

The decision to set up the authority was partly a response to the horrors that occurred there and the outrage many of us felt that this could happen. These were people who could not speak English and who did not know what rights they might have had. You said something about resources, but does the authority have sufficient powers to prevent a tragedy like that from happening again?

Elysia McCaffrey: We provide licences to anyone who is providing workers in shellfish gathering, horticulture, agriculture and so on. They have to demonstrate that they meet good high standards of care. We give them a licence, inspect them and check that things are as they should be.

I think that has been effective and that regulation has been an effective model there. The difficulty is those who operate without a licence. They are a priority for us. We go after them. We have some really good relationships with licence holders who report to us. It is their competition; they will tell us whether there are people operating without a licence, so that we can take action.

Again, we are quite a small body, and it is hard to know about them and to be everywhere, but I think that our regulation is effective.

Lord Alton of Liverpool: Thank you.

Q92 Lord Dholakia: My question relates to enforcement, again. What is your opinion on the creation of a single body for enforcement purposes? That is the type of evidence that we have received in this inquiry. Could you both comment on that?

Elysia McCaffrey: I think there are real benefits to the creation of a single enforcement body, but it would have to do more than just bring the existing bodies together. It cannot be a cost-cutting exercise. It has to be about investment, improving capability, and improving the powers, which I talked about. It could be quite expensive, in that decision-makers need to look very carefully at how you bring those bodies together, but I think there would be real benefits to doing that.

Dr Carole Murphy: I agree. A single well-trained and well-resourced body that has regional expertise and knowledge makes sense, because, if you look at the statistics, there are very specific issues going on in different parts of the country, as Elysia will know more than me.

Baroness Kennedy of The Shaws: Very much so.

Dr Carole Murphy: A body that had oversight over the whole of the UK, or England and Wales, and that could enforce some of these improved enforcement abilities, if possible, would be very welcome.

Q93 **Lord Murray of Blidworth:** One quick question, if I may. Just to put the other side of the case on not merging the GLAA, the EAS and the NMWU, is there a risk, in a merged organisation, that the factors that are currently the sole focus of the GLAA would receive less attention than having their own specific authority?

Elysia McCaffrey: It would have to be really closely managed, and those involved would have to be mindful of that risk, because the potential for it to be diluted definitely exists.

Chair: I thank you both very much for your evidence today. We have only had an hour or so, but it has been quite a rich evidence session. We are grateful to you both for coming today and for the work that you both do—your important research, Dr Murphy, and the important work that you are doing, Elysia. There are a few things that, as we have said, we would like you to write on. My team will follow up by outlining what those are. Once again, I thank you for your time today.