

STRONGER ENFORCEMENT OF LABOUR REGULATIONS NEEDED TO PROTECT VULNERABLE LOW-SKILLED WORKERS

A new report by the Migration Advisory Committee (MAC) reveals evidence that vulnerable low-skilled workers are at risk of exploitation due to labour regulations not being complied with or properly enforced.

The study found that employers benefit from migrant labour in sectors such as food processing, agriculture and restaurants, as they often cannot get an adequate supply of British workers.

Figures from the Office for National Statistics shows in 2013 there were 2.1 million people from overseas working in low skilled occupations. Of these, 1.2 million were born outside of the EU.

But Her Majesty's Revenue and Customs (HMRC) and the Gangmasters Licensing Authority (GLA) - the two major enforcement bodies designed to protect vulnerable worker,- are under resourced and their penalties are too weak to tackle the potentially growing problem of non-compliance and exploitation of migrant workers in low-skilled jobs.

Professor Sir David Metcalf CBE, chair of the MAC, said

"Our flexible labour market has served us well. But vulnerable low-skilled workers, whether British or foreign, need protection.

"There is incomplete compliance with and enforcement of labour regulations, and regulatory resources and penalties are inadequate.

"A typical employer can expect a compliance visit just once in 250 years and a prosecution once in a million years.

"We must also redouble our efforts to equip our young people with the skills to compete in a flexible job market."

Overall, the MAC found that migrant workers over the last 20 years have not had a major impact on the pay of British workers, on UK employment, the wider UK economy, or areas such as housing, healthcare, crime, education and welfare benefits.

But migrants in low-skilled jobs have had a much greater impact at a local level as most are concentrated in a relatively small number of areas across the UK. The

MAC's study, using a number of local authorities including Peterborough and Newham as focus areas, found the arrival of one million migrants in low-skilled jobs during the last 10 years has left local authorities struggling to cope with rapid population change.

The MAC identifies a number of themes that the government should take account of in developing future policy. These concern the need for increased enforcement of labour market regulations, improved skills for young British people, more assistance for local areas affected by immigration and careful planning for any future enlargement of the European Union.

ENDS

Notes to Editors:

1. For a copy of the MAC report, "Migrants in low-skilled work: The growth of EU and non-EU labour in low-skilled jobs and its impact on the UK" please go to: <https://www.gov.uk/government/organisations/migration-advisory-committee>
2. The full report is lengthy and technical. The MAC has produced a less technical, short report which is also available at the above web address.
3. In addition to these reports the MAC is also publishing today relevant research it commissioned to inform its findings. The research is also on the MAC website.
4. The MAC advises the government on migration issues. It is a non-statutory, non-time-limited, non-departmental public body, sponsored by the Home Office. The MAC is made up of a chair and four other independent economists and migration experts, who have been appointed under rules relating to public appointments laid down by the Office of the Commissioner for Public Appointments (OCPA). Additionally, the Commission for Employment and Skills and the Home Office are represented on the Committee.
5. For more information or to request an interview with Professor Metcalf contact the Migration Advisory Committee press officer Emma Tilley on 020 7035 3535.
6. The question the Government asked the MAC was "*consider the labour market, economic and social impacts on the UK and specifically on British workers, drawing on and updating earlier work in this area. In particular, the MAC is asked to research the growth of migrant labour, distinguishing where possible between EEA and non-EEA migrants, in low skilled sectors of the UK economy and the factors driving this.*

In doing this, the research should address:

(i) The extent to which, and the reasons why, employers actively choose to recruit migrant workers and through which channels.

(ii) Why these migrant workers are attracted to coming to work in the UK, and how the UK compares with other countries in this context.

(iii) The extent to which migrant labour fills gaps in the UK domestic labour supply for low-skilled work and whether the work they find is a match for the skills they bring.

(iv) Whether there are structural or cultural issues which inhibit the recruitment of UK-born workers, including issues such as motivations and attitudes to work. Consideration should also be given to the interaction of factors including skills, housing, education provision, the benefits system and the labour market regulation, with a view to making recommendations as to possible actions here.”