Government to protect workers' rights and clamp down on workplace abuse with powerful new body

- New workers' watchdog to take over responsibility for tackling modern slavery, enforcing minimum wage, and more
- one-stop shop will improve enforcement and ensure employees and businesses know where to go for help on workers' rights
- Business Minister Paul Scully: We will take action against big brands that turn a blind eye to abuses

A powerful new workers' watchdog will be created to protect the rights of UK workers, the government confirmed today (Tuesday 8 June).

Responsibility for tackling modern slavery, enforcing the minimum wage and protecting agency workers — currently spread across 3 different bodies — will be brought under one roof, creating a comprehensive new authority, which will ensure businesses that break the rules have nowhere to hide.

This 'one-stop shop' approach will help improve enforcement through better co-ordination and pooling intelligence.

The new watchdog will also enhance workers' rights by providing a single, recognisable port of call for workers so they know their rights and can blow the whistle on bad behaviour.

The body will support businesses to do the right thing by their employees by providing guidance on their obligations to staff. Meanwhile, increased enforcement will make sure good businesses aren't undercut by unscrupulous rival employers who aren't paying or treating their workers correctly.

As well as enforcing all existing powers belonging to the 3 agencies, the new body will have a new ability to ensure vulnerable workers get the holiday pay and statutory sick pay they are entitled to — without having to go through a lengthy employment tribunal process.

Business Minister Paul Scully said:

This government has been absolutely clear that we will do whatever we can to protect and enhance workers' rights.

The vast majority of businesses want to do right by their staff, but there are a minority who seem to think the law doesn't apply to them. Exploitative practices like modern slavery have no place in society.

This new workers' watchdog will help us crack down on any abuses of

workers' rights and take action against companies that turn a blind eye to abuses in their supply chains, while providing a one-stop shop for employees and businesses wanting to understand their rights and obligations.

The plans, confirmed in a <u>consultation response</u> to be published today (Tuesday), come as part of the government's wider efforts to protect workers' rights. Since last year alone, the government has boosted the minimum wage for around 2 million employees, protected furloughed workers' parental pay, brought Jack's Law into force to support bereaved parents, and more.

The government's plans will see the Gangmasters and Labour Abuse Authority, the Employment Agency Standards Inspectorate and HMRC's National Minimum Wage Enforcement combined to create a single enforcement body.

The new body will continue the successful Naming and Shaming scheme, which calls out companies who fail to pay workers what they are owed and can hit rogue employers with fines of up to £20,000 per worker. This enforcement activity will be extended to cover other regulations protecting the pay of workers employed through agencies or by gangmasters in the agricultural sector.

To help businesses understand the rules, the new body will provide guidance on best practice, complementing the work already carried out by existing authorities such as the Advisory, Conciliation and Arbitration Service (Acas). It will seek to build strong links with community and worker groups to spread awareness and support engagement with at-risk groups, including the low-paid and those in sectors like construction and agriculture that could be at higher risk of abuse.

The government will also explore further measures to target abuses in the garment sector specifically, following reports of serious problems in the industry. Options being examined include creating a Garment Trade Adjudicator to investigate companies' supply chains, or extending the licencing scheme that currently covers employers in the agricultural sector. Under the scheme, businesses who provide workers for agriculture and the fresh produce supply chain must apply for a license to operate in the sectors, and are subject to inspections to ensure they meet employment standards required by law.

If brands' behaviour doesn't improve, the government warned it could introduce harsher measures, including bans on goods made in factories where workers have been underpaid.

The new enforcement body will be established through primary legislation when parliamentary time allows.

The publication of the government's consultation response comes as part of a range of action taken since last year to protect workers' rights, including: