

Press release: Director of Labour Market Enforcement warns rogue bosses of plans to use powers to jail worst offenders

Director of Labour Market Enforcement Sir David Metcalf today (25 July) warned rogue employers he would be consulting on how to make full use of powers to jail the worst offenders.

[Sir David Metcalf](#) was appointed in January 2017 to oversee a government crackdown on exploitation in the workplace by setting the strategic priorities for the government's 3 enforcement agencies:

- HMRC's National Minimum Wage (NMW) enforcement team
- the Gangmasters and Labour Abuse Authority (GLAA)
- the Employment Agency Standards Inspectorate (EAS)

Publishing his [introductory report](#), Sir David said he would work with the government's enforcement bodies to:

- better tackle illegal practices by implementing labour market enforcement undertakings and orders, which came into force in November 2016 and carry a maximum 2-year prison sentence for serious or repeat offences
- identify how best to ensure large employers' supply chains do not breach labour market laws, particularly in the fashion, construction and cleaning sectors
- review the effectiveness of current labour market enforcement efforts

Over the coming months Sir David will consult business and worker representatives, industry bodies and enforcement action groups ahead of publishing his first full labour market enforcement strategy later this year.

New [enforcement statistics](#) also released today revealed the government identified record back pay for workers, with almost £11 million for 98,000 workers in 2016 to 2017.

Sir David said:

Tackling labour market abuses is an important priority for the government and I am encouraged it has committed record funds to cracking down on exploitation.

Over the coming months I will be working with government enforcement agencies and industry bodies to better identify and punish the most serious and repeat offenders taking advantage of vulnerable workers and honest businesses.

The report is published alongside this year's National Minimum and Living Wage enforcement statistics. The figures show in 2016 to 2017 HMRC's enforcement teams identified a record £10.9 million in back pay for 98,150 of the UK's lowest paid workers – a 69% increase on those helped last year.

Businesses who failed to pay workers at least the legal minimum wage were also fined £3.9 million, with employers in hospitality and retail sectors among the most prolific offenders.

Business Minister Margot James said:

This government is firmly on the side of hard-working people and we are determined to stamp out any workplace exploitation, from minimum wage abuses to modern slavery.

While the majority of employers create a fair and safe environment for their workers, there are a small minority of rogue employers who break the law and we will use all enforcement measures at our disposal to crack down on labour market abuses.

Minister for Crime, Safeguarding and Vulnerability Sarah Newton said:

I welcome the director's introductory report which recognises the importance of a collaborative approach across enforcement agencies.

I am pleased that we have extended the reach and budget of the GLAA as it will enable them to do even more, using new powers to search premises, seize evidence, and arrest those who mistreat workers.

The new powers are working, multiple arrests have already been made, including for modern slavery offences, and I am confident that GLAA officers will continue to disrupt the unscrupulous criminals who exploit the most vulnerable.

The report comes after Matthew Taylor published his [independent review into modern employment practices](#) to achieve "good quality work for all". The government will study this review carefully over the summer and respond in detail later in the year.

Sir David will start consulting with stakeholders ahead of publishing his first full strategy later this year. To contribute please email directorsoffice@lme.gsi.gov.uk.