

Temporary Labour Users Must Pay Statutory Increases

With today's increases to the national minimum wage and holiday entitlement, the Association of Labour Providers issues its updated Temporary Labour Minimum Charge Rate tables and urges labour users to meet their obligations.

David Camp, Director of the Association of Labour Providers (ALP), expresses his concern that many labour users are refusing to increase rates to meet the statutory change:

"It is totally unreasonable that although the minimum wage is increasing by 17p per hour and accrued holiday pay in the non agricultural sector has gone up by 20p per hour, our members have reported that many labour users are refusing to pay the full increase in rates to labour providers. It is also unacceptable that many farmers and agricultural packhouses refuse to pay overtime rates to temporary workers in accordance with the Agricultural Wages Order. With the advent of the Gangmaster Licensing Authority (GLA) any labour provider that does not pay minimum wage or agricultural overtime risks having their licence revoked and being put out of business. This is not a risk that labour providers can afford to take.

The rate paid by labour users is a key variable that the GLA monitors to identify where labour providers are not complying with the minimum wage. Labour users that pay unrealistically low rates are knowingly or recklessly conniving in illegality.

Today the ALP has issued its updated Temporary Labour Minimum Charge Rate Tables to include the October 1st increases. They are available to download on www.labourproviders.org.uk or by emailing info@labourproviders.org.uk.

The ALP continues to urge both HMRC and the GLA to step up enforcement activity targeted at labour users paying unrealistically low rates - they face serious disruption when eventually the authorities catch up with them, Bomfords is a case in point.

The supermarkets and other wholesaler purchasers of food also have a duty to ensure that they are not benefiting from worker exploitation and tax evasion. They have a strong duty to ensure fair and legal rates are paid to labour providers throughout their supply chain.

ENDS

Notes:

The ALP is the trade association for labour providers that serve the agricultural and food industries and other GLA regulated sectors.

The ALP campaigns on behalf of Labour Providers on a number of regulatory issues and relevant regulatory issues. The ALP provides members with access to current information, advice and best practice that is otherwise not readily available.

Labour users can become associates of the ALP. This will ensure that they receive information at the same time as labour providers, have access to the members' part of the ALP website and have access to the advice service that the Association provides.

A list of members and further information about the ALP can be found at www.labourproviders.org.uk.

Labour users should feel free to contact the Director, David Camp, on 01276 509306.