

Date: 14 September 2009

Tangled web of exploitation from Cornwall to Scotland

Multi agency operation in Cornwall leads to three licence revocations

Three gangmasters have had their licences revoked after a major investigation into the treatment of Polish and Lithuanian gang labour used to pick flowers in Cornwall and Scotland.

The investigation led to the revocation of the licences of AAW Contract Services Ltd, JDSS Limited and E U Labour Ltd after the GLA found overcrowded accommodation and workers living on less than £10 a day.

The GLA uncovered a tangled web of exploitation where one gangmaster supplied the workers, another provided the accommodation and the transport with the third believed to be a 'lifeboat' licence that could be used to transfer the workers to if the other licences were revoked.

The information about the practices of these gangmasters came to light during 'Migrant Workers Action Week', a multi agency operation in Cornwall involving Devon and Cornwall Constabulary, Kerrier and Penwith District Council, Cornwall County Fire Brigade and VOSA.

The GLA found that the workers, who were housed in overcrowded caravans, were only paid 'subs' of £50 a week and occasionally less, with the rest of their wages held back until their contract had finished.

Workers who had left the employment of AAW Contracts Services had not been paid what they were owed, with no evidence of forwarding addresses seen by GLA officers for the money to be sent on to the workers .

Paul Whitehouse, Chairman of the GLA said:

"Workers are not a commodity and should not be treated like one. The law is in place to protect them and we will enforce the law".

Issues uncovered included:

- The maximum occupancy of Caravans was breached with 22 out of the 25 caravans used having more than the four occupants allowed

- Workers were not supplied with pay slips
- No evidence that cars supplied to another licence holder had been serviced by qualified mechanics or records of what if any repairs had been carried out. When two of the vehicles were stopped in Scotland, both had inadequate tyres and only one had a spare.
- 27 workers who had left the employment of AAW Contracts Services had not been paid what they were owed, with no evidence of forwarding addresses seen by GLA officers for the money to be sent on to the workers .
- Failure to provide the GLA with Payroll details
- Failure to provide the GLA with Bank Statements
- Failure to notify the GLA that accommodation and transport was provided

Mr Michael Smith Director of AAW Contract Services Ltd lost his licence. He was also found to have abdicated responsibility for the running of his business and all requirements to Magdalena Gojtowska and failed to check the work she carried out. Mr Smith has been declared 'not a fit and proper person' to hold a GLA licence.

Mrs Joanna Stewart of JDSS Limited based in Brandon, Suffolk lost the licence due to three critical failures involving attempting to mislead the GLA, worker accommodation and worker transport. Mrs Stewart has now been declared 'not a fit and proper person' to hold a GLA licence.

Mr Miroslav Bulczak of E U Labour Ltd lost the licence due to evasive behaviour and not keeping the GLA informed of his whereabouts or how to contact him. He has now been declared as 'not fit and proper' to hold a GLA licence

The GLA suspect that E U Labour Ltd was a 'life boat licence' and that if either of the other two businesses were to be revoked the workers would simply be transferred to this business and the non-compliant activities would continue.

Ms Magdalena Gojtowska who was also named on the E U Labour Ltd licence has also been declared as 'not fit and proper' to act as a gangmaster for activities carried out while working for AAW Contract Services Ltd. Ms Gojtowska had previously worked for gangmaster Jonathan Beckson of Timberland whose licence was revoked in 2008.

Notes to editors

1. The Gangmasters Licensing Authority (GLA) was set up to curb the exploitation of workers in the agricultural, horticultural, shellfish gathering and associated processing and packing industries.

2. The majority of workers involved in these industries come from countries such as: Romania, Poland, Slovakia, Hungary, Bulgaria, Lithuania, Latvia, Pakistan and Portugal.

3. So far, 1,198 labour providers hold a GLA licence. Over 100 licenses have been revoked (8 with immediate effect). Two people and one business have been prosecuted for operating without a licence, with more prosecutions forthcoming.

4. The GLA stepped up its fight against those who abuse workers with the launch of Operation Ajax in June 2008. The operation was set up to increase the GLA's activities with an 18 month programme of unannounced raids.

5. Paul Whitehouse, GLA Chairman, is available for interview by contacting 0115 900 8962

6. Anybody who is aware of exploitation should contact the GLA on 0845 602 5020 or report anonymously at www.gla.gov.uk/report

End

Public enquiries: 0845 602 5020

Media enquiries: 0115 900 8962

www.gla.gov.uk