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Construction and the Modern Slavery Act

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Construction - risk factors

Multiple tiers, late payment and abuse of retentions

Highest **insolvency** rate of any industry in UK

Large number of workers on **minimum wage**

High reliance on **migrant workers**

High level of **bogus self employment**

Unscrupulous labour agencies + umbrella companies

Imbalance of power = all workers at risk of exploitation

Fighting slavery – major issues

Poor visibility below tiers 1,2 – MS found at tiers 4 - 5

Right to Work conflated with **slavery checks**

Auditing – systemic failures

Complacency – denial of problem, “not in our sector” etc

Low regulation – easy for criminals to move in

Criminality keeps evolving – hard to keep up

Large players shifting risk to SMEs

Challenges ahead

Price still dominates, pricing out ethical players

Little legal incentive to act + v poor MSA reporting

Brexit – vulnerability of **EU workers** + **Supply chains** –EU accounts for 62% imports to the sector

How do you achieve meaningful transparency?

CIOB routemap to fair business

- **Change the narrative**: all supply chains are at risk
- **CEO buy in essential** + commit to paying **fair prices**
- **Raise standards**: eg, **living wage**, direct employment[↑]
- **Collaborate**: share intel with multi-disciplinary groups
- **All businesses** should write an **MSA statement**
- **Work with suppliers** to **build trust** – zero tolerance of issues is not helpful!