

# **How to Remediate and Prevent Modern Slavery: Advances in Policy, Theory and Practice**

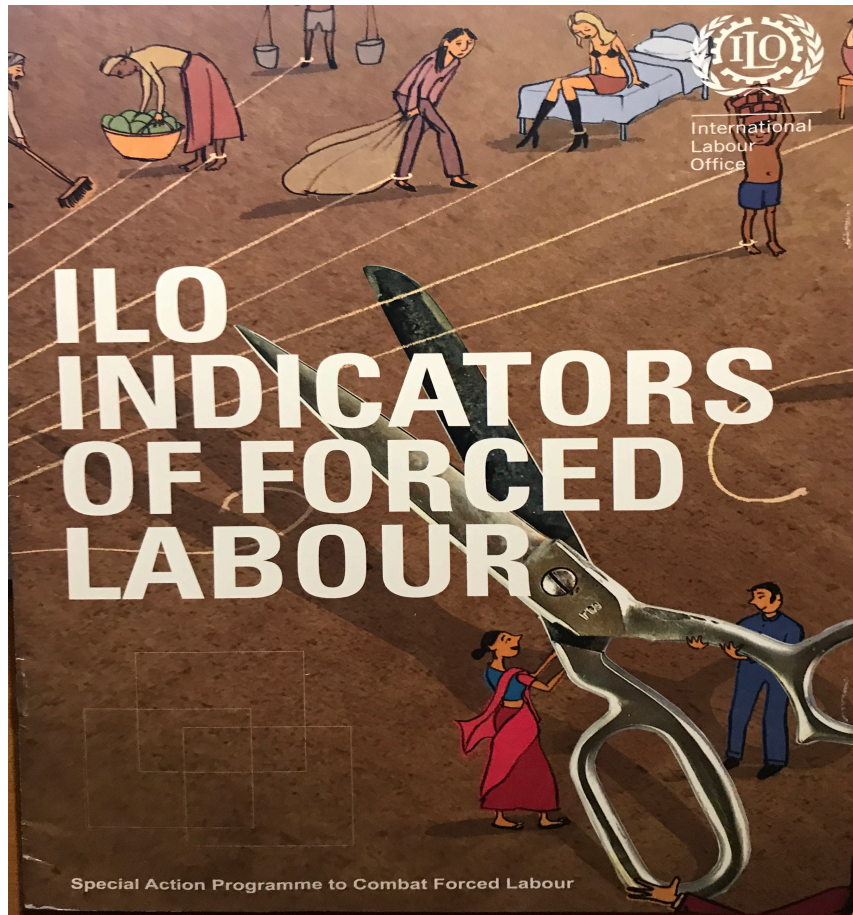
*Andy Hall (Migrant  
Worker Rights Specialist  
and Electronics Watch  
Consultant)*

# Recruitment Fees & Related Costs, Forced Labour and Debt Bondage

- RBA members (and RBA 2016) created migrant worker policies prohibiting 'recruitment related fees and costs' being charged to migrants and requiring suppliers to reimburse if fees identified
- When forced labour identified, priority to provide remedy (UNGP BHR)
  - Minority of remediation handled by government enforcement agencies
  - **Majority of remediation handled by employers, suppliers and/or customers in-house**
  - Apple: US\$28.4 million repaid to over 34,000 workers since 2009
  - Electronics Watch, Impactt, RBA, Elevate, Verite, Fair Labor Association (FLA) work with buyers, suppliers, employers and government public procurement agencies to remediate workers
  - Other forced labour at factory level remediated via audit-based corrective action plans
- Surface-level changes to prevent forced labour incl. returning workers' passports, allowing resignations more easily, enhancing work and accommodation freedom of movement
- Majority of ILO forced labour indicators take longer to address - tied to discrimination/management systems requiring long term intervention.
- **Remediation of recruitment related fees and costs requires significant effort and commitment from manufacturers, suppliers and buyers (as well as budget)**



# ILO Indicators of Forced Labour (Modern Slavery) – can you identify contracts where the subject matter is perhaps linked to forced labour risks?



The indicators are:

- Abuse of vulnerability
- Deception
- Restriction of movement
- Isolation
- Physical and sexual violence
- Intimidation and threats
- Retention of identity documents
- Withholding of wages
- Debt bondage
- Abusive working and living conditions
- Excessive overtime

The presence of a single indicator in a given situation may in some cases imply the existence of forced labour. However, in other cases you may need to look for several indicators which, taken together, point to a forced labour case. Overall, the set of eleven indicators covers the main possible elements of a forced labour situation, and hence provides the basis to assess whether or not an individual worker is a victim of this crime.

Further guidance on how to use the indicators in practice is provided in the ILO e-learning tool on identifying and investigating cases of forced labour.



# Some Examples: Forced Labour Remediation

- Apple, Electronics (various factories/suppliers)
- **Cal-comp, Thailand, Electronics (EW case next slide)**
- Supreme Committee for Delivery and Legacy, Construction/FIFA 2020, Qatar
- Thai Union, Thailand, Seafood
- Wood, furniture and garment industry (Malaysia)
- Rubber industry (gloves/condoms) (Malaysia)





# Case Study EW and MWRN: Cal-comp Case

- Cal-Comp Electronics (Thailand) – 13, 000+ foreign workers
- Parent company New Kinpo Group – member of RBA (CoC)
- **Products: printer, external hard drives, computer peripherals**
- **Customers: HP, WD, Seagate (and EW public procurement agency members)**
- Oct 2016 – document confiscation, outsourcing, **excessive fees**, no CoE
- 2017 – documents returned, direct hiring, CoE, **excessive fees**
- 2018 – partial reimbursement, **excessive fees**
- 2019 – full reimbursement of fees paid begins (Nov), **excessive fees ongoing**
- **Excessive fees = real migration costs + kickbacks/corruption + agency/sub-agency fees in origin country and Thailand**
- **Social auditing challenges + worker coercion + RBA inefficiency**
- **Cal-Comp just one case that could be applied to wider context**

# Electronics Watch Remediation Strategies

Electronics Watch [\*Guidance for Remediation of Migrant Worker Recruitment Fees and Related Costs\*](#)

- This guidance was developed following **Cal-comp** forced labour investigation in Thailand.
- The rules refer to *2019 ILO Definition of Recruitment Fees and Related Costs* and intended as a framework for public buyers to detect when recruitment of migrant workers at any point in their supply chains creates risk of forced labour through debt bondage

The Guidance identifies five [rules](#) to help public buyers address the issues

- Immediate Repayment of Recruitment Fees and Related Costs
- Employer Burden of Proof
- Independent Monitoring and Verification
- Zero Cost Recruitment
- Equitable Burden

Electronic Watch is currently carrying out four investigations (Malaysia) and one follow-up investigation (Thailand) to monitor whether recruitment related fees and costs have been paid and if so, whether reimbursements have been made

**Electronics Watch is seeking lessons learnt with RBA, RBA members, MWRN and EW members as systemic challenges**



# Other Remediation Strategies/Lessons Learnt

- **Universal Payment Approach (Impactt – Qatar/Malaysia)**
  - Average quantum reported by workers during investigation
  - According to nationality, cross-checked with published data
  - All migrant workers employed at the date of discovery of the issue are eligible, regardless of length of service or ability to produce receipts.
- **Key learning from remediation programmes**
  - Culture change takes time - true understanding of business case for good working conditions alongside wider industry changes.
  - Helpline as a useful interim solution
  - But efforts should focus on establishing an **effective and sustainable channel for worker-employer increasingly effective social dialogue** which will continue after the external remediation programme ends.

# How can responsible recruitment of workers move from rhetoric to reality?

1. Create ethical, zero cost, responsible recruitment policies/guidelines
2. Implement due diligence concerning and written agreements with all recruitment agencies/  
recruitment actors
3. Price **real** cost of 'responsible recruitment' into tenders, quotations and contracts. Providing evidence of payments increases transparency and makes recruitment agreements enforceable and auditable.
4. Incentivise ethical recruitment (finally create a market).
5. 3<sup>rd</sup> party oversight of recruitment processes (Thai Union MWRN model) alongside development of increased workplace social dialogue