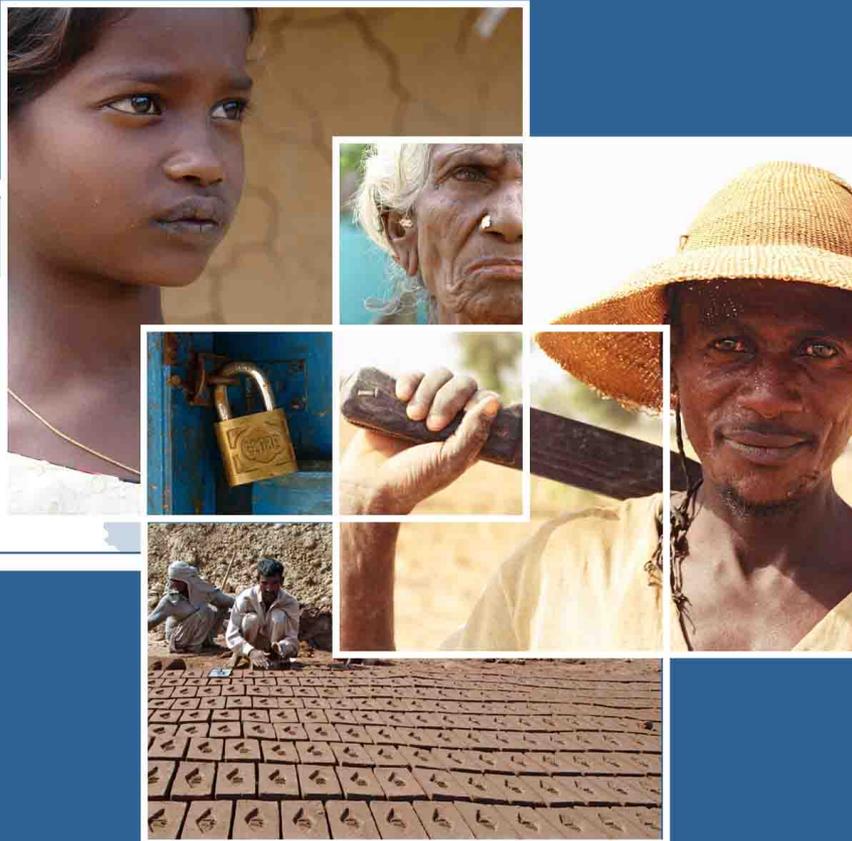


WORK IN FREEDOM

Special Action Programme
to Combat Forced Labour



New international standard on the elimination of forced labour - Implications for business

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Webinar, September 2014
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New international standard on the elimination of forced labour - Implications for business

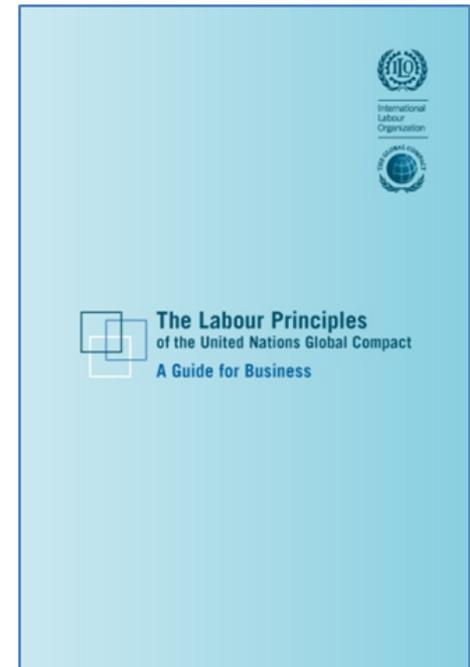
I. Two webinars

- Eradicating forced labour from supply chains (October 2011)
- New international standard on the elimination of forced labour - Implications for business (September 2014)

II. UN Global Compact Labour Principles

Companies should uphold:

- Freedom of Association and effective recognition of the right to collective bargaining
- **Elimination of forced or compulsory labour**
- Effective abolition of child labour
- Elimination of discrimination in respect of employment and occupation





New international standard on the elimination of forced labour - Implications for business

1. What is forced labour?
2. Global dimensions of forced labour
3. New international standards on forced labour
4. A few “Real Scenarios”
5. Examples of business initiatives and ILO’s engagement

What is forced labour?



ILO Forced Labour Convention, 1930 (No. 29)

« *All work or service that is exacted from any person under the menace of any **penalty** and for which the said person has **not offered himself voluntarily*** »





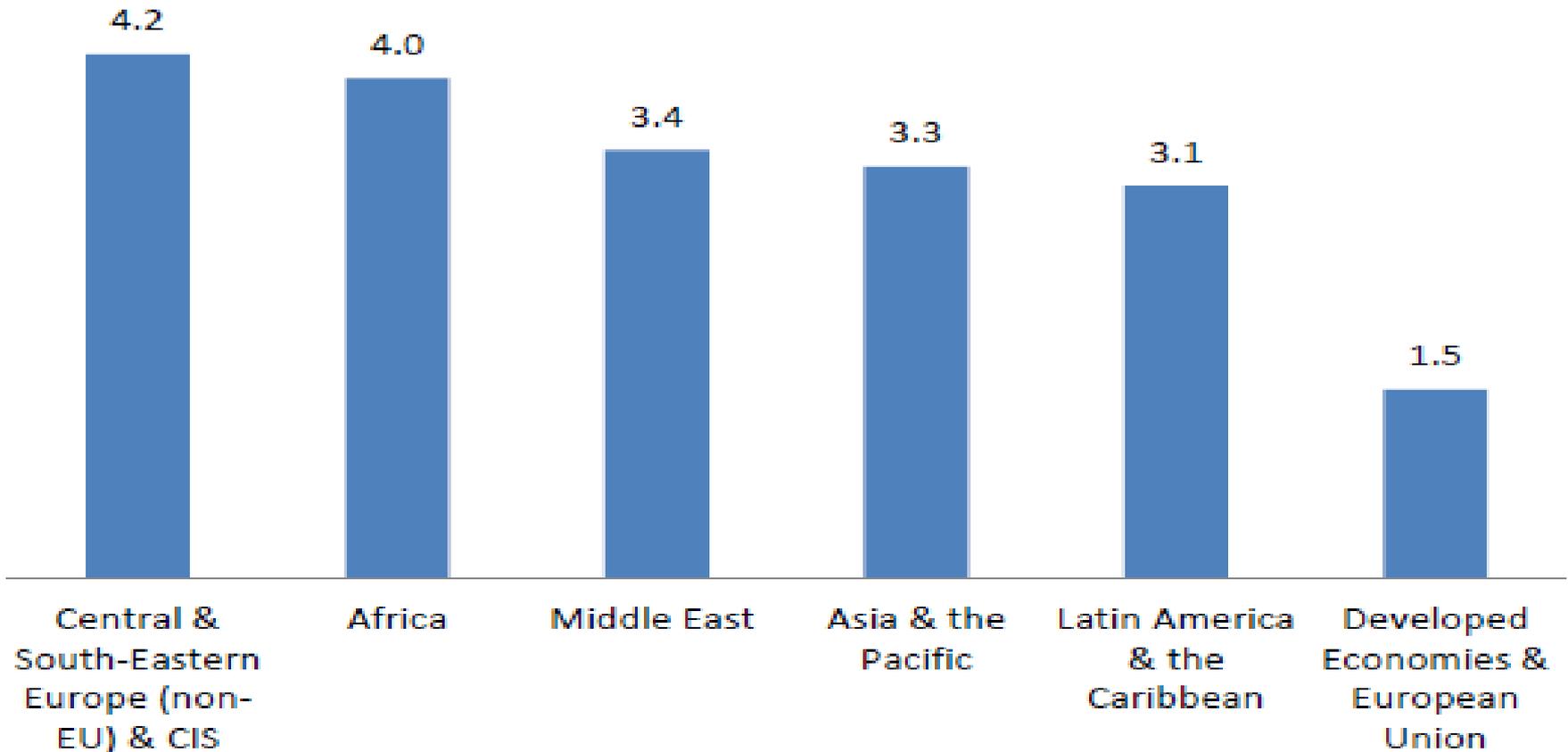
Global dimensions of forced labour



Global Estimate Forced labour: **20.9 million**

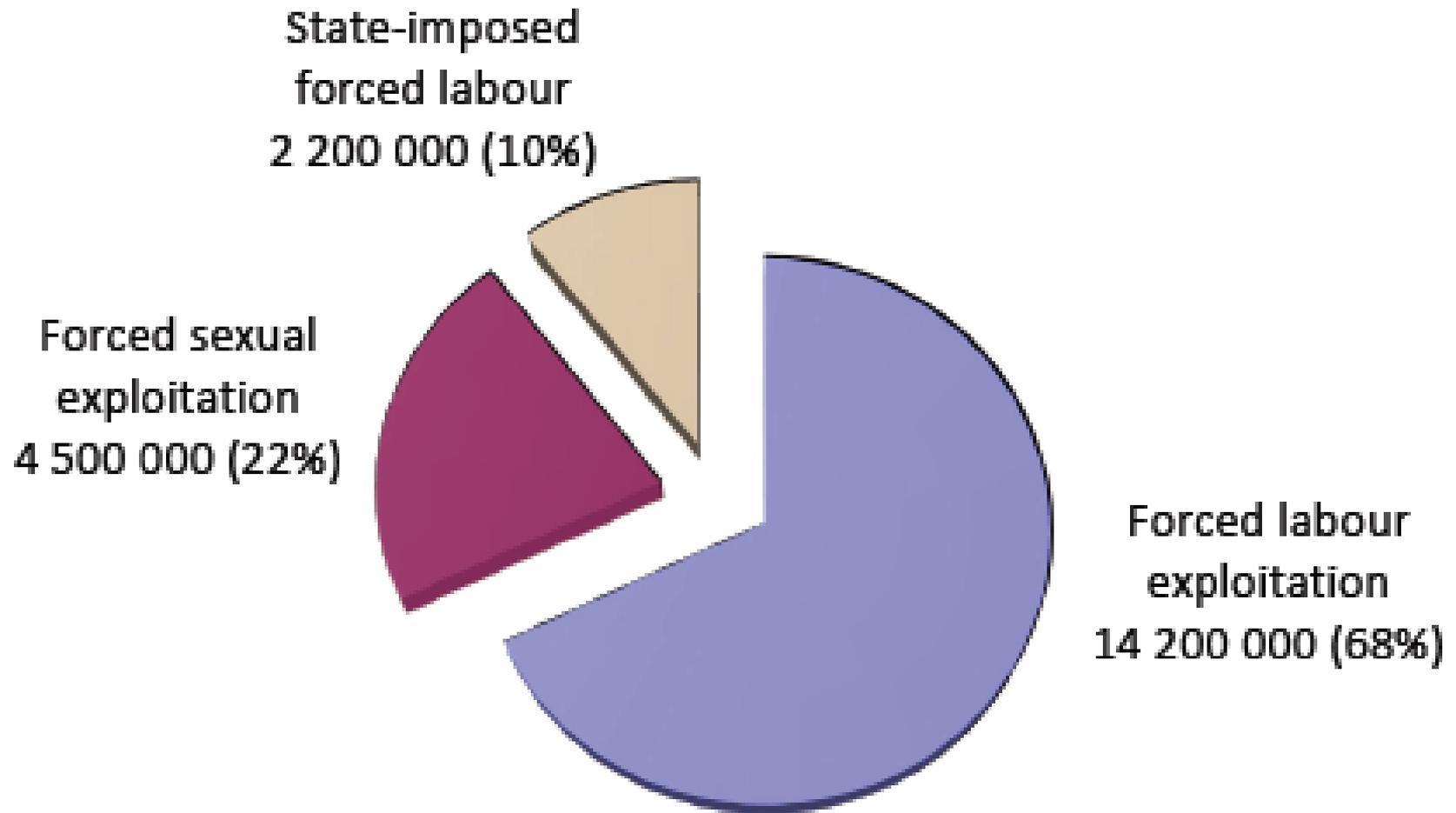


Prevalence (per 1,000 inhabitants)





Types of Forced Labour



Profits from forced labour



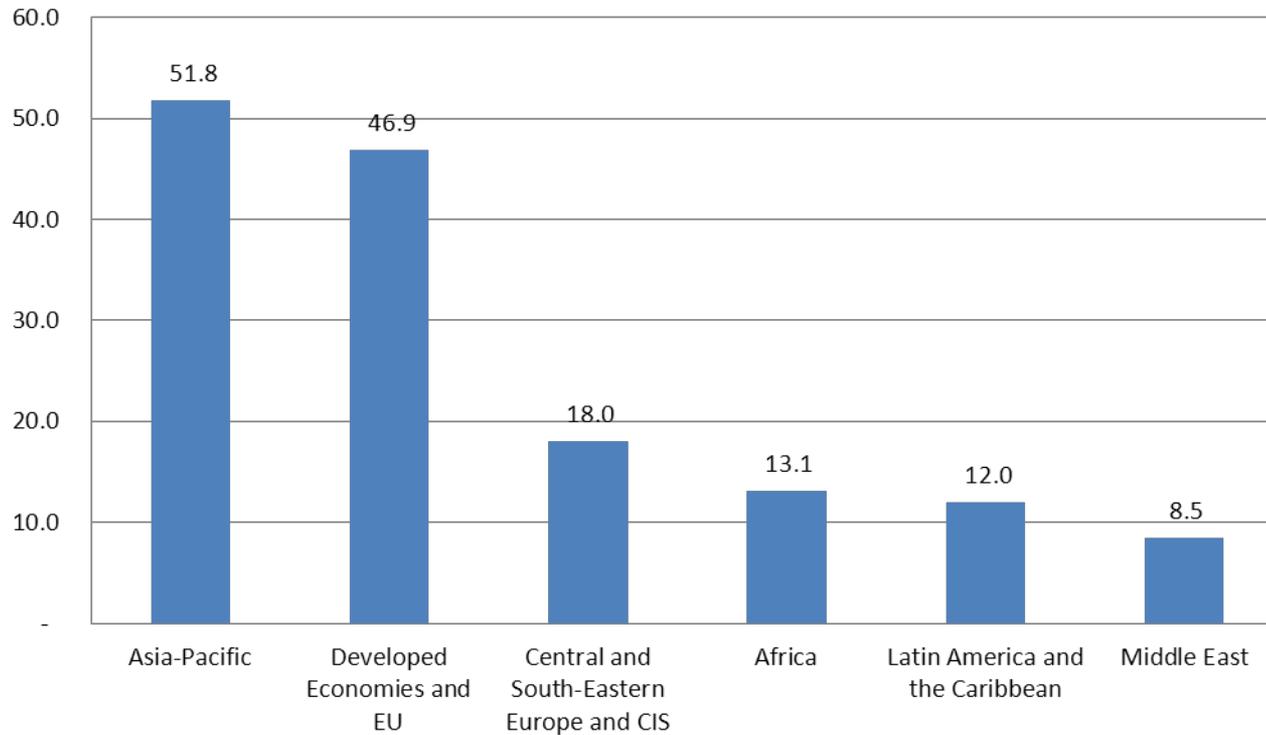
150 billion US dollars

- 99 billion US\$ sexual exploitation
- 51 billion US\$ forced labour exploitation
 - 8 billion US\$ domestic work
 - 9 billion US\$ agriculture
 - 34 billion US\$ other sectors (construction, manufacturing, mining)

Illicit profits (US billion)



Illicit profits of forced labour (US \$ billion)



Forced labour and the global economy



Sectors at risk

- Agriculture
- Construction
- Manufacturing
- Mining
- Domestic work
- Entertainment

Vulnerable workers

- Workers in informal enterprises
- Indigenous & tribal peoples
- Low caste groups
- Migrant workers, especially with irregular status

➤ 90% of all forced labour occurs in the private economy



New instruments to combat forced labour

- ILO Convention No. 29 in existence since 1930, and highly ratified (177).
- In its 317th Session in March 2013, the ILO Governing Body decided to place a standard-setting item entitled “Supplementing the Forced Labour Convention, 1930 (No. 29), to address implementation gaps to advance prevention, protection and compensation measures, to effectively achieve the elimination of forced labour” on the agenda of the 103rd Session (2014) of the Conference.



What do the new instruments “add”?

The Protocol

- Addresses practices such as human trafficking, and
- Creates new obligations on protection, prevention and remedies, including compensation.

The Recommendation

- Provides technical guidance on the implementation of the Protocol.



The Protocol – Importance for Business

Noting that the effective and sustained suppression of forced or compulsory labour contributes to ensuring **fair competition among employers** as well as protection for workers, and

Article 1

Each Member shall develop a national policy and plan of action for the effective and sustained suppression of forced or compulsory labour in consultation with employers' and workers' organizations, which shall involve systematic action by the competent authorities and, as appropriate, **in coordination with employers'** and workers' organizations, as well as with other groups concerned.

Article 2

The measures to be taken for the prevention of forced or compulsory labour shall include:

- (b) **educating and informing employers**, in order to prevent their becoming involved in forced or compulsory labour practices;
- (d) protecting persons, particularly migrant workers, from possible abusive and fraudulent practices during the **recruitment and placement process**;
- (e) supporting **due diligence** by both the public and **private sectors** to prevent and respond to risks of forced or compulsory labour;

Article 4

Each Member shall ensure that all victims of forced or compulsory labour, irrespective of their presence or legal status in the national territory, have **access to appropriate and effective remedies, such as compensation.**



The Recommendation– Importance for Business

1. Members should establish or strengthen, as necessary, in **consultation** with **employers'** and workers' organizations as well as other groups concerned:
 - (a) **national policies and plans of action** with time-bound measures using a gender- and child-sensitive approach to achieve the effective and sustained suppression of forced or compulsory labour in all its forms through prevention, protection and access to remedies, such as compensation of victims, and the sanctioning of perpetrators; and
 - (b) competent authorities such as the labour inspectorates, the judiciary and national bodies or other institutional mechanisms that are concerned with forced or compulsory labour, to ensure the development, coordination, implementation, monitoring and evaluation of the national policies and plans of action.

PREVENTION

4. Taking into account their national circumstances, Members should take the most effective preventive measures, such as: (j) in giving effect to their obligations under the Convention to suppress forced or compulsory labour, providing **guidance** and **support to employers and businesses** to take effective measures to identify, prevent, mitigate and account for how they address the risks of forced or compulsory labour in their operations or in products, services or operations to which they may be directly linked.



The Recommendation– Important for Business

PROTECTION

8. Members should take measures to eliminate abuses and fraudulent practices by **labour recruiters** and **employment agencies**, such as:

- (a) eliminating the charging of recruitment fees to workers;
- (b) requiring transparent contracts that clearly explain terms of employment and conditions of work;
- (c) establishing adequate and accessible complaint mechanisms;
- (d) imposing adequate penalties; and
- (e) regulating or licensing these services.

ENFORCEMENT

13. Members should take action to strengthen the enforcement of national laws and regulations and other measures, including by: (d) strengthening efforts to identify victims, including by developing indicators of forced or compulsory labour for use by labour inspectors, law enforcement services, social workers, immigration officers, public prosecutors, **employers, employers'** and workers' organizations, non-governmental organizations and other relevant actors.



Real Scenarios - Overtime

If factory rules and regulations contain a mandatory overtime policy, what are the circumstances under which this would or would not be considered forced labour?

If the factory has a written policy stating that employees who refuse to work overtime will be fined, are the following scenarios considered forced labour?

Scenario 1: Auditors do not find any fines levied in the payroll records that were reviewed, i.e., this is a written policy without actual application.

Scenario 2: Auditors do not find any fines levied, and management claims that this is a policy without practice.

Scenario 3: Auditors do not find any fines levied, management claims that this is a policy without practice, and employees concur in interviews.



Real Scenarios - Facility Rules

If a factory has a written policy that employees will be fined for violating facility rules (i.e., for taking unapproved leave or for not meeting minimum quality standards in garment pieces which they produced):

- a. If the written policy is enforced and practiced, are these fines considered a form of forced labour?

- b. If there is no evidence of the policy in practice but it is still a written rule, would it be considered as a form of forced labour?



Real Scenarios -Fees/Deposits/ Withholdings

Are the following scenarios limitations of movement and, therefore, forced labor?

- a. A small fee equivalent to one day's worth of work was withheld on a one-time basis from workers' wages as a deposit for employee uniforms and will be returned after six (6) months of employment.
- b. A facility has a policy requiring its employees to provide advance notice of resignation beyond what is legally required; if an employee resigns sooner than the amount of time specified in the policy, the company will deduct a certain percentage of the employee's wages.
- c. Employees that are terminated by the facility during the probationary period are not paid their wages for the days worked.
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- d. Employees that resign by their own choice during their probationary period are not paid their wages for the days worked.

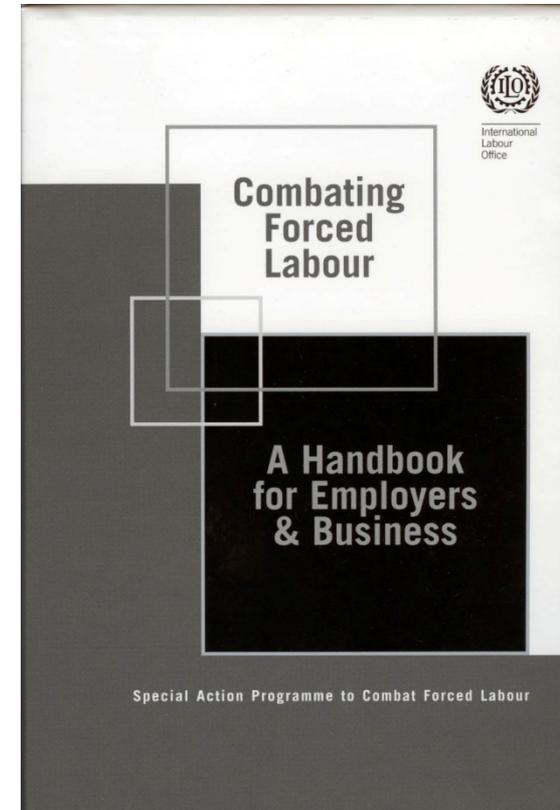


Handbook for Employers and Business

- Employers' FAQ
- Guiding principles
- Assessing compliance
- Tips for taking action
- Good practice case studies

Developed together with the IOE

Available in English, Spanish, Arabic,
Chinese, Georgian, Armenian, Azeri, and
French





What can business do?

- Have a **clear and transparent company policy**
- **Train staff** (auditors, HR, buyers, compliance officers) for identification and remediation
- **Inform shareholders** and potential investors
- Promote **codes of conduct** by sector and take appropriate **remedial measures**
- **Treat migrant workers fairly** and carefully monitor recruitment agencies
- Ensure that all workers have **written contracts**, in language that they can easily **understand**, specifying their rights (wages, overtime, identity documents, ...)
- Encourage **dissemination of good practices**
- Contribute to **rehabilitation programmes** for victims (vocational training, ...)
- Promote **cooperation** with governments, workers, law enforcement agencies and labour inspectorates
- Find innovative means to **reward good practice**, in conjunction with the **media**



Visit our website :
www.ilo.org/forcedlabour

ILO Helpdesk for Business
www.ilo.org/business
assistance@ilo.org

Additional Resources



- **ILO Indicators on Forced Labour**
 - http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---declaration/documents/publication/wcms_203832.pdf
- **Asia Pacific Forced Labour Network**
 - <http://apflnet.ilo.org/>
- **E-Learning modules on Forced Labour**
 - [Module 1: Definition and Legal Framework of Forced Labour](#)
 - [Module 2: Indicators of Forced Labour](#)
 - [Module 3: Protecting and Assisting Victims of Forced Labour](#)