

Recruitment Fees Consultation Workshop 2

1 February 2018



Housekeeping



Agenda

- **Recap**
 - GLAA
 - ALP
 - What we heard in workshop 1
- **Consultation session 1 – Transport fees**
- **BREAK**
- **Consultation session 2 – Eliminating Recruitment Fees Toolkit - feedback**
- **Consultation session 3 – GLAA Licensing Standards and Brief**
- **Summing up / Next steps**



Gangmasters &
Labour Abuse Authority

Work finding fees - UK

Charlotte Woodliffe

Working in partnership to protect vulnerable and exploited workers

Legislation

- Employment Agencies Act 1973 outside of the GLAA regulated sectors - Employment Agency Standards inspectorate
- The Gangmasters (Licensing Conditions) Rules 2009 – Gangmasters and Labour Abuse Authority



Licensing Standard 7.1

- A licence holder must not charge a fee to a worker for any work-finding services.
- A licence holder must not make providing work-finding services conditional on the worker:
 - using other services or hiring or purchasing goods provided by the licence holder or any person connected to them, or
 - giving or not withdrawing consent to disclosing information about that worker



GLAA Brief 38

Work finding services

- Introduction, administrative or placement fee
- Information, advice, guidance
- Checking and completing documents
- Interview and assessment
- Translation of standard documentation
- Sending documents



Additional goods or services

- Must be optional and cannot be discriminated against if not taken up.
- Would breach the Standards
 - Required to stay in particular accommodation
 - Pay rent or other charges to secure a job
 - Use particular transport to get to the UK
 - Take a loan to cover costs of travel or any other service
 - Pay to be paid
 - Purchase PPE or tools
 - Pay for training



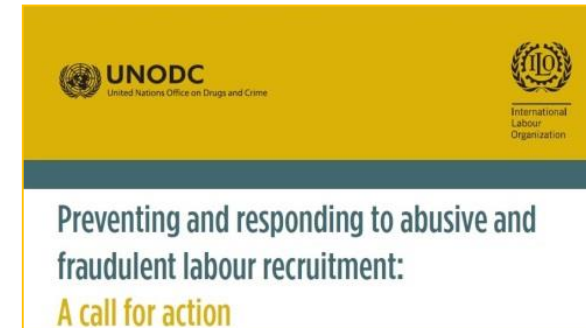


ELIMINATING RECRUITMENT FEES CHARGED TO WORKERS

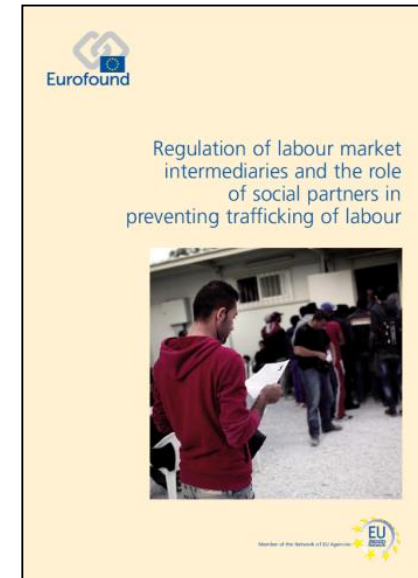
Growing focus on Responsible Recruitment and awareness that labour provision often presents the greatest worker exploitation risk in supply chains

- Work is often informal and precarious with a predominance of vulnerable migrant workers
- Abuse is hidden with complex labour supply chains and unscrupulous employers outsourcing illegality
- Labour recruitment identified as major human rights risk in supply chains with many bodies now focusing on recruitment practices – ILO, IOM, IHRB, CGF, RLI

Leadership
Group for
Responsible
Recruitment



Ergon outlook: key issues for 2018





clearview

Global Labour Provider Certification Scheme

A pioneering **global** social compliance certification scheme aligned to global labour standards which covers **all** the sourcing and supply activities of **labour recruiters and providers** operating **within or across** borders

Clearview is **not** sector specific and focuses on the conditions faced by **unskilled / base skilled** workers in their recruitment and supply by labour providers to work in global supply chains



Eliminating recruitment fees: momentum

The Employer Pays Principle

Launched in May 2016, the Employer Pays Principle states that:

“ No worker should pay for a job - the costs of recruitment should be borne not by the worker but by the employer. ”



Eliminating Recruitment and Employment Fees Charged to Workers in Supply Chains


A Practical Step-by-Step Guide for Retailers, Brands, Employers and Labour Providers



Developed in partnership with



EVERY WORKER SHOULD HAVE  FREEDOM OF MOVEMENT

 NO WORKER SHOULD PAY FOR A JOB

 NO WORKER SHOULD BE INDEBTED OR COERCED TO WORK



WORLD
EMPLOYMENT
CONFEDERATION

Focus on: recruitment fees

- Recruitment fee debt bondage **holds more people in modern slavery in supply chains** than any other
- Labour brokers often charge prospective workers to find them jobs; workers may have little choice but to pay the fees
- Migrant workers often don't have savings so mortgage their land/property or borrow money
- Usually exorbitant interest rates on loans leaving workers in 'debt bondage'
- Impact on workers can be severe

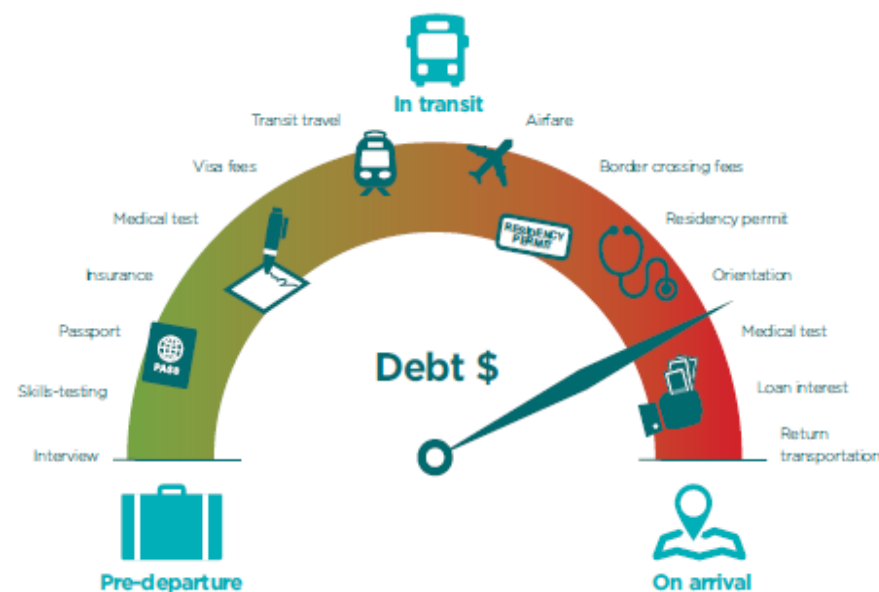


What constitutes a recruitment fee?

- *“The terms recruitment fees or related costs refer to any fees or costs incurred in the recruitment process in order for workers to secure employment or placement, regardless of the manner, timing or location of their imposition or collection”. ILO*
- There are some costs that workers can be reasonable expected to cover e.g. lost documentation at their own fault, meals and accommodation during work (when optional and charged at fair market value)

Migrant Worker Recruitment Fees

The Increasing Debt Burden



Recruiting migrant workers comprises a range of costs, all of which should be met by the employer. Workers often bear the costs of some or all of these expenses, plus substantial facilitation payments. These costs and the interest on loans taken out to pay them can leave workers in situations of debt bondage.

Focus on transport fees

- **ILO:** "The terms recruitment fees or related costs refer to any fees or costs incurred in the recruitment process in order for workers to secure employment or placement, regardless of the manner, timing or location of their imposition or collection".
- **IOM IRIS:** Recognising that transportation costs are often the largest costs borne by migrant workers and in keeping with best practice of government and private sector regulation, the definition of recruitment costs shall include **transportation and interim lodging costs (including all taxes and fees) from the migrant workers' home in the origin country to the work place in the destination country; relocation costs** if the worker is requested to move once employment has begun; as well as **return transportation** to the employee's home country at the end of employment. This should include transportation and subsistence costs while in transit, including, but not limited to, airfare or costs of other modes of international transportation, terminal fees, and travel taxes associated with travel from the origin country to the destination country and the return journey at the end of the employment contract, as well as transportation and subsistence costs from the airport or disembarkation point to the worksite.



Focus on transport fees

Recruitment fees refer to any and all fees associated with the recruitment process regardless of when, how and by whom they are collected. They can include, but are not limited to, payments for the following:

- Services such as advertising, recruiting, short-listing, interviewing, referring, retaining, transferring or placing job applicants or potential employees
- Pre-departure or post arrival training, skills-testing or orientation
- Pre-departure or receiving country medical examinations, including immunizations
- Visas, work permits, residency certificates or security clearance
- Documentation services, including translation or notarization
- Government-mandated fees, levies or insurance
- Transport or subsistence costs from point of origin to worksite, including airfare
- Security deposits or bond
- Breach of contract fees
- Employer notary or legal fees
- Bribes, tips or tributes



United Nations
Global Compact



Employer Pays Principle

No worker should pay for a job – the costs of recruitment should be borne not by the worker but by the employer.

Migrant workers should not pay recruitment and service fees and costs at any stage of the recruitment process, during or after employment, including:

1. Any fees for applications, recommendations, recruitment, hiring, placement, and administrative, overhead, and processing fees of any kind.
2. Fees to any parties, including agent, sub-agent, intermediary, or employer.
3. Pre-departure fees and costs including but not limited to:
 - a) Skills tests
 - b) Additional certifications beyond those required for job eligibility
 - c) Medical exams/screening
 - d) Pre-departure training or orientation
 - e) Any other requirements to access the job opportunity
4. Costs associated with documentation and/or permits:
 - a) New passport, identity documents, or visas needed for the purposes of obtaining employment, including renewal(s)
 - b) Temporary work or residence permits (including renewals)
 - c) Police clearance fee
 - d) Birth certification fee
 - e) Certificate of good behaviour fee
 - f) Other certifications, identity or clearance documents required for residing in the country of employment
5. Transportation and lodging costs (including all taxes and fees):
 - a) Transportation and lodging costs after the employment offer has been made and accepted in writing from the worker's home to the port of departure
 - b) Transportation from the worker's home (sending) country to receiving country port of entry
 - c) Transportation from receiving country port of entry to workplace or provided accommodations
 - d) Border-crossing fees
 - e) Relocation costs if asked to move once employment has begun
 - f) Return transportation to employee's home country at the end of employment
6. Arrival / orientation / on-boarding including but not limited to:
 - a) New-hire training or orientation
 - b) Medical exams/screening
7. Legal requirements including but not limited to:
 - a) Deposits and/or bonds (including those required by law or not required by law)



Focus on transport fees

- When – if the transport takes place after the job offer has been made
- How – in some sectors, covering transport costs will represent a major shift. Retailers, suppliers and labour providers work together to agree approach – considerations include:
 - Organised transport options to manage costs
 - Labour provider performance incentives for retention of migrant workers
 - Worker incentives





Feedback from workshop 1

Best practice

- Employee training
- Video interviews in country of origin
- Repatriation insurance
- Audits of sub-agents
- Worker interviews on arrival and 3-6 months later
- Training staff to identify indicators of exploitation
- Demonstrating LUs/LPs are paying a fee which covers a sustainable business model
- Labour supply chain due diligence all the way back to the worker.

Lots of examples of best practice out there, but also frustrations that there are unscrupulous labour providers that are undercutting, still charging for effectively compulsory services etc.

Transport fees

- From many growers and labour providers we heard:
 - Costs are prohibitive
 - Brexit/freedom of movement
 - Risk of no-shows
 - Free trip then move to a different job
 - What evidence is there that these costs pose a risk to workers?
 - Discrimination risks
 - Will Brands pay more?
- From civil society we heard:
 - Labour provider role to ensure workers are serious about the job
 - Contracts are key – recoup costs where there is poor retention of staff
 - What evidence is there that workers won't turn up/will abscond
 - Cost reduction measures e.g. organised coaches
 - All commercial parties share burden of cost
 - Transparency about transport costs

Remedy

- Due diligence is key to avoid remedy needing to take place
- Where the responsibility lies outside the supply chain e.g. with criminal gangs, whose responsibility is it to reimburse workers/offer them work?
- Shared responsibility
- Supporting workers to access other forms of remedy
- What about where there are no receipts?

Feedback on Toolkit and GLAA docs

■ EREF Toolkit

- More UK/EU and agriculture case studies
- Brexit
- Timeframe/milestones
- Exec summary
- Self-assessment questions
- Guidance on raising the issue with senior management
- Broken down into sections
- Other models of business e.g. franchises

■ GLAA

- Need a clear position from the GLAA on what is a legal requirement and what is ethical best practice
- Need more guidance in the work-finding fees brief on what constitutes a fee
- Fewer loopholes
- Licensing standard should be concise and clear, briefs and guidance are really important to expand on



Live poll: [sli.do / W378](https://sli.do/join/W378)



Consultation session 1 – transport fees

Transport fees

- From many growers and labour providers we heard:
 - Costs are prohibitive
 - Brexit/freedom of movement
 - Risk of no-shows
 - Free trip then move to a different job
 - What evidence is there that these costs pose a risk to workers?
 - Discrimination risks
 - Will Brands pay more?
- From civil society we heard:
 - Transport costs are a component costs of recruiting workers from abroad
 - Labour provider role to ensure workers are serious about the job
 - Contracts are key – recoup costs where there is poor retention of staff
 - What evidence is there that workers won't turn up/will abscond
 - Cost reduction measures e.g. organised coaches
 - All commercial parties share burden of cost
 - Transparency about all the costs in the recruitment process
- How can we reconcile the UN IOM/IHRB position with the risks, concerns and challenges that are being raised?
- What are potential practical solutions and what support would businesses need?
- Legal requirement vs ethical labour standards? Implications for labour providers vs direct recruitment?



Live poll: [sli.do / W378](https://sli.do/join/W378)



Break

Consultation session 2

- Is Licensing Standard 7.1 sufficiently clear?
- How could it be better?
- Does Brief 38 cover everything it should? If not what is missing
- Is there anything which needs any clarity?
- Is there anything you don't agree with?
- Any other comments about either document.





Consultation session 3 – Eliminating Recruitment Fees Toolkit

Eliminating Recruitment Fees Toolkit

- More UK/EU and agriculture case studies
 - Brexit
 - Timeframe/milestones
 - Exec summary
 - Self-assessment questions
 - Guidance on raising the issue with senior management
 - Broken down into sections
 - Other models of business e.g. franchises
-
- Which aspects are most important to you?
 - Do you have any additional suggestions on the Toolkit?
 - What other support do you need?



Live poll: [sli.do / W378](https://sli.do/join/W378)



Next steps

Next steps

- GLAA – Report to the LU/LP and Worker Liaison Group meetings on 28 Feb
- TBC Roundtable event on transport fees
- ALP:
 - EREF Toolkit version 2.0 – Spring 2018
 - Update ALP work-finding fees brief
 - Clearview and the ResponsibleRecruitmentToolkit.org



GLA Brief
Issue 38 – June 2014:
Job-Finding Fees and
Providing Additional Services





Live poll: [sli.do / W387](https://sli.do/join/W387)



Thank you