

Recruitment Fees Consultation Workshop 1

11 January 2018





Gangmasters &
Labour Abuse Authority

Work finding fees - UK

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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

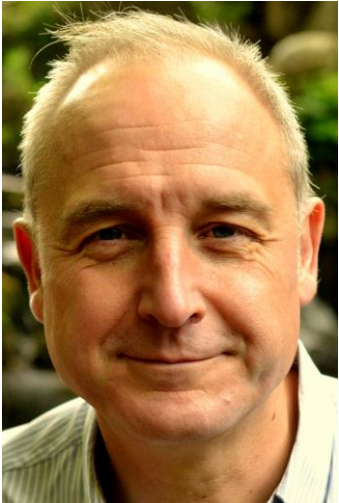
- Must be optional and cannot be discriminated against if not taken up.
- Would breach the Standards
 - Required to stay in particular accommodation
 - Pay rent or other charges to secure a job
 - Use particular transport to get to the UK
 - Take a loan to cover costs of travel or any other service
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





ELIMINATING RECRUITMENT FEES CHARGED TO WORKERS

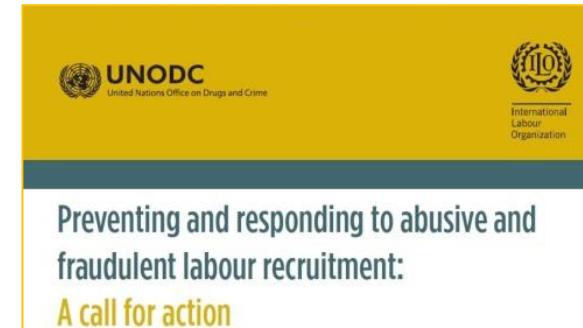
Introductions



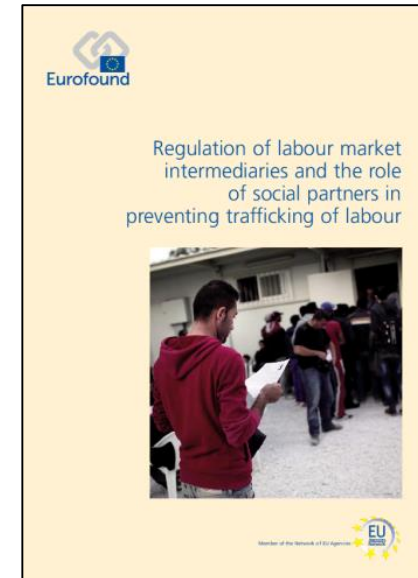
Growing focus on Responsible Recruitment and awareness that labour provision often presents the greatest worker exploitation risk in supply chains

- 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

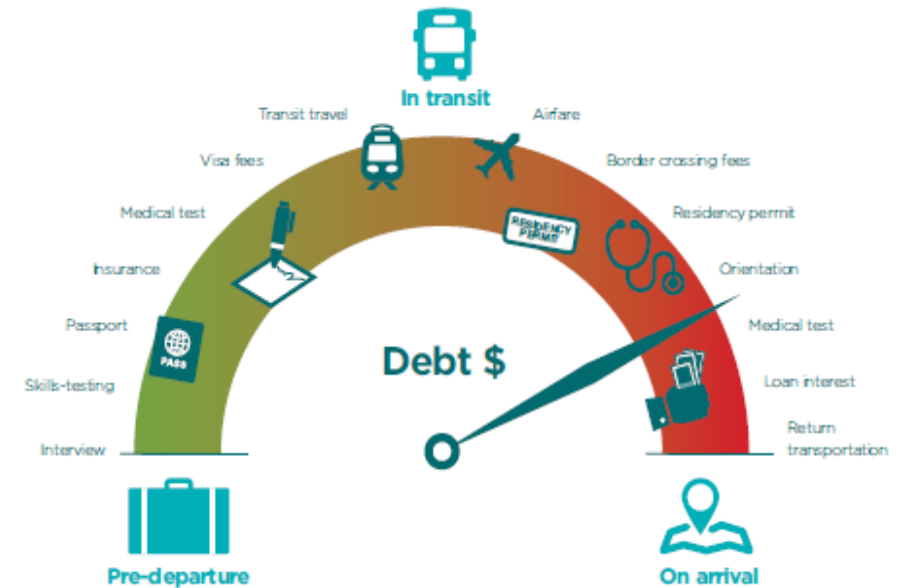


What constitutes a recruitment fee?

- *“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

- Why – ILO, IOM, IHRB: transport costs are incurred for employers to secure workers. Also often largest cost so present high area of debt bondage risk.
- 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



What does effective remedy look like?

- If it is discovered that workers have paid recruitment fees, the full cost of those fees should be reimbursed to the worker by the party that is responsible for the violation, including for any sub-agents in the recruitment supply chain where this was within their reasonable due diligence control.
- Business should have policies and procedures in place for different scenarios e.g.
 - Labour provider complicit
 - Lack of supply chain due diligence
 - Informal party not linked to labour supply chain



Q&A



Live poll: [sli.do / T446](https://sli.do/T446)

Consultation session 1

- Join your allocated group (1-4)
- Share examples of best practice that you are aware of/are already implementing in your business in relation to recruitment fees
- Each group to feedback on one example



Break

Consultation session 2 – parallel discussions

- **Transport fees** (join group A or B). Discussion points:
 - International best practice says transport fees should be covered by the employer
 - Do participants agree?
 - Consider the guidance in the toolkit on transport fees – is this sufficient?
 - How can any challenges and risks be managed?
 - What other suggestions do participants have on transport fees?
 - What other support do they need?
- **Effective remedy** (join group C or D). Discussion points:
 - International best practice says workers must be reimbursed for any recruitment fees they have paid that they shouldn't have
 - Do participants agree? What about retrospectively?
 - What particular scenarios make this challenging?
 - Consider the guidance in the toolkit on remedy – is this sufficient?
 - What other suggestions do participants have on remedy? What other support do they need?

Consultation session 3 – parallel discussions

- **Practical suggestions for EREF Toolkit improvements.** Consider the following points and discuss your recommendations:
 - Any suggestions for improvements to layout/navigation around the document
 - Would an Exec Summary/lite version be helpful? What would you want it to include if so?
 - Would case studies of real-life situations be helpful? What kind of examples would you like to see?
 - Would a roadmap/suggested timelines be helpful - any thoughts on what the milestones should look like?
 - Any other suggestions for improvement?
- **Practical suggestions for GLAA Licensing Standards and Brief on Work-Finding fees.** Consider the following points and discuss your recommendations:
 - Suggestions for improvements to layout/navigation around the documents
 - Do participants think there need to be any changes to the GLAA Licensing Standards?
 - Do participants have suggestions for improvements to the Work-Finding Fees Brief?

Next steps

- Consultation meeting 2 – 1 February, Nottingham
- GLAA – Report to the LU/LP and Worker Liaison Group meetings on 28 Feb
- 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





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Thank you