



Gangmasters &
Labour Abuse Authority

GLAA/Task and Finish Report – Eliminating Recruitment Fees in the Supply Chain

28 February 2018

GLAA/Task and Finish Report – Eliminating Recruitment Fees in the Supply Chain

1. Purpose of the Report

- 1.1. The purpose of this paper is to update the LU/LP and Worker/NGO Liaison Groups of the outcome of the Task and Finish Group who hosted two workshops to gather stakeholder input on the Association Labour Provider's (ALP)'s Toolkit on Eliminating Recruitment Fees Charged to Workers in Supply Chains document. The workshops also provided an opportunity to gather feedback on the GLAA's Licensing Standards and Brief 38 relating to Work-Finding Fees, which are due for review.

2. Recommendation

- 2.1. To note the content of the report and the views and opinions of the various stakeholders who participated.
- 2.2. Further work (outside of the Task and Finish Group) is required by the ALP to develop and explore some of the key issues raised before their toolkit is officially launched.
- 2.3. GLAA to consider amending Brief 38.

3. Reasons for Recommendation

- 3.1. The complex and problematic issue of eliminating recruitment and work-finding fees in supply chains is reflected in the key discussions and outcomes arising from the workshops.

4. Background

- 4.1. Two three-hour workshops were held (in London and Nottingham) and co-hosted by the GLAA and the ALP. In total 55 people attended, with both sessions representing a wide spectrum of interests including retailers, labour users, labour providers and civil societies. A full list of attendees is shown in **Appendix 1**.
- 4.2. The delegates shared examples of best practice regarding due diligence in eliminating recruitment fees in the supply chain. They also discussed and fed back their views on key themes that feature in in the toolkit such as transport fees and the remedy for reimbursement to workers if fees paid during the recruitment process were subsequently identified. Delegates also provided practical examples of how the toolkit could be improved.

- 4.3. Delegates were also tasked to feedback their views on the GLAA Licensing standards and GLAA Brief 38 relating to Work-Finding Fees to help inform the next versions.
- 4.4. An interactive electronic voting system was used in both workshops, with delegates prompted to answer questions connected to the main discussion points. A summary of the results can be found in **Appendix 2 and 3**.

5. Key Outcomes for the ALP provided by the ALP

- 5.1. Delegates were broadly in favour of the 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*”¹. However, there was significant concern raised over a number of the practical issues in adopting this principle. Many delegates felt there needed to be further consultation before the toolkit is officially launched. In particular, the issues raised included:
 - i. The need for more engagement from retailers and end users in the adoption of the toolkit
 - ii. More UK/sector-based information relating to the recruitment of EU migrant workers to the UK and their travel fees, considering both the risk of worker exploitation and the risk to UK employers in assuming these costs in the current ‘freedom of movement’ context
 - iii. Factors affecting the timing of implementation e.g. Brexit, price squeeze and labour shortages.

6. Key outcomes for the GLAA

- 6.1. Delegates considered that both the GLAA Licensing standards and GLAA Brief 38 relating to Work-Finding Fees were generally clear and concise. It was felt, however, that more emphasis should be given for LPs to evidence that optional fees for additional services are truly optional. Alongside this, it was felt greater clarification is needed as to what constitutes ‘pastoral care’ when cited as an additional service.
- 6.2. A detailed summary of the feedback from delegates at both workshops can be found in **Appendix 4**.

¹ Interactive voting poll results at Workshop 1 & 2 (Appendix 3&4)
Paper classification: For Information
Joint LU/LP and Worker/NGO Liaison Group

7. Next Steps

- 7.1. The ALP have advised that following the presentation of this report, the ALP will:
- i. Continue to focus this debate with brands/retailers and other stakeholders;
 - ii. Prepare a separate paper on transport costs on which it will engage with various bodies before submitting this for discussion with relevant IGO/NGOs;
 - iii. Update and reissue Brief 127 - Charging Fees for Work Finding Services
 - iv. Continue to support those members seeking to compete fairly against those that undercut them by charging recruitment fees to workers.
- 7.2. ALP proposes that the EREF Toolkit version 2.0 will be published later in the year.
- 7.3. The GLAA will review and amend Brief 38 where appropriate.

8. Background Papers and Relevant Published Documents

- i. [Eliminating Recruitment Fees Charged to Workers in Supply Chains](#)
- ii. [GLAA Licensing Standards](#)
- iii. [GLAA Brief 38 - Work Finding Fees](#)

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Appendix 1: List of Workshop Attendees

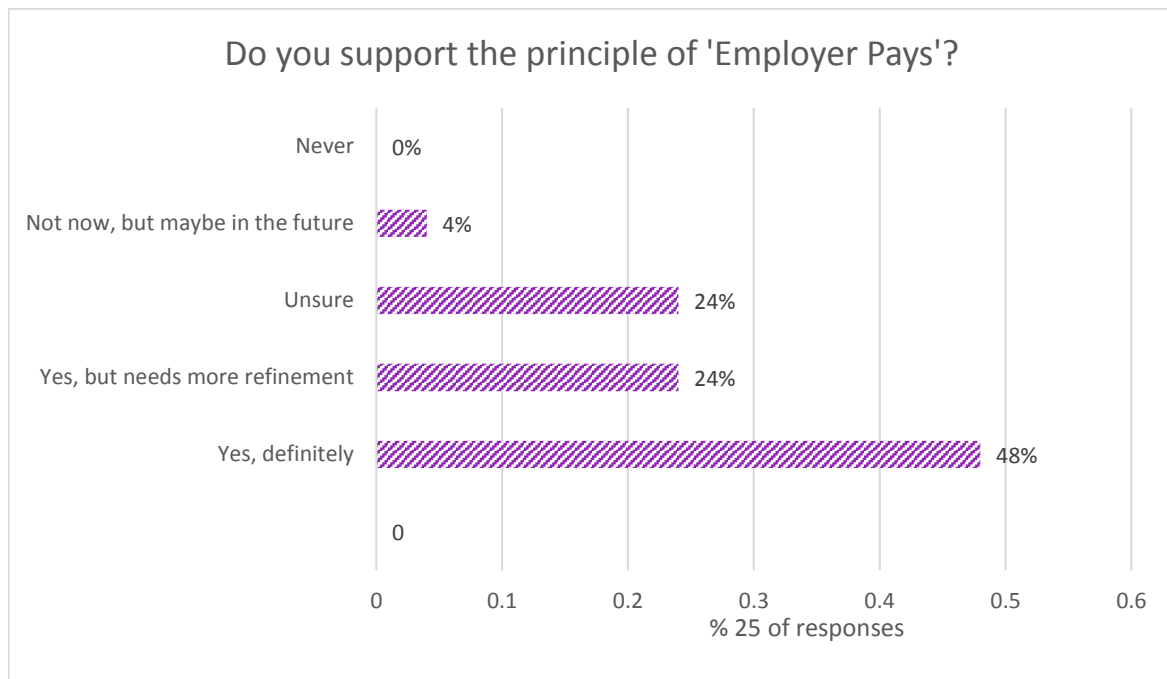
WORKSHOP 1: London 11 January 2018		WORKSHOP 2: Nottingham 1 February 2018	
Company	Number of representatives	Company	Number of representatives
AG Recruitment	1	AG Recruitment	1
ALP	2	Angus Soft Fruits	1
BTF Partnership	1	ALP	3
Concordia	1	Boots	1
Employment Agency Standards Inspectorate	1	BTF Partnership	1
Ethical Trading Initiative	1	Cobrey Farms	1
First Call Contract Services	1	Concordia	1
Focus on Labour Exploitation	1	Cordant Group	1
Fruitful Jobs	1	Est Vest Services Romania	1
GLAA	2	Est Vest Services UK	1
HOPS Labour Solutions	1	Fresh Produce Consortium	1
Human Trafficking Foundation	1	Freshtime	1
Institute for Human Rights and Business	1	GLA	3
International Organisation for Migration	1	GI Group	1
LAWRS	1	Greenyard Fresh	1
National Farmers Union	1	GS Fresh	1
Office of Director, Labour Market Enforcement	1	HOPS Labour Solutions	1
OPNJO	1	IBC Bulgaria	1
Primark	1	Next	1
Prime Produce	1	National farmers Union	1
RH Group	1	Pyramid International	1
Scope	1	Staffline	1
Shiva Foundation	1	The Staffing Group	1
Staffline	1	TOTAL	27
Twenty Fifty	1		
Van Stomp	1		
Total	28		

Appendix 2: Slido Multiple Choice Poll Results for Workshop 1

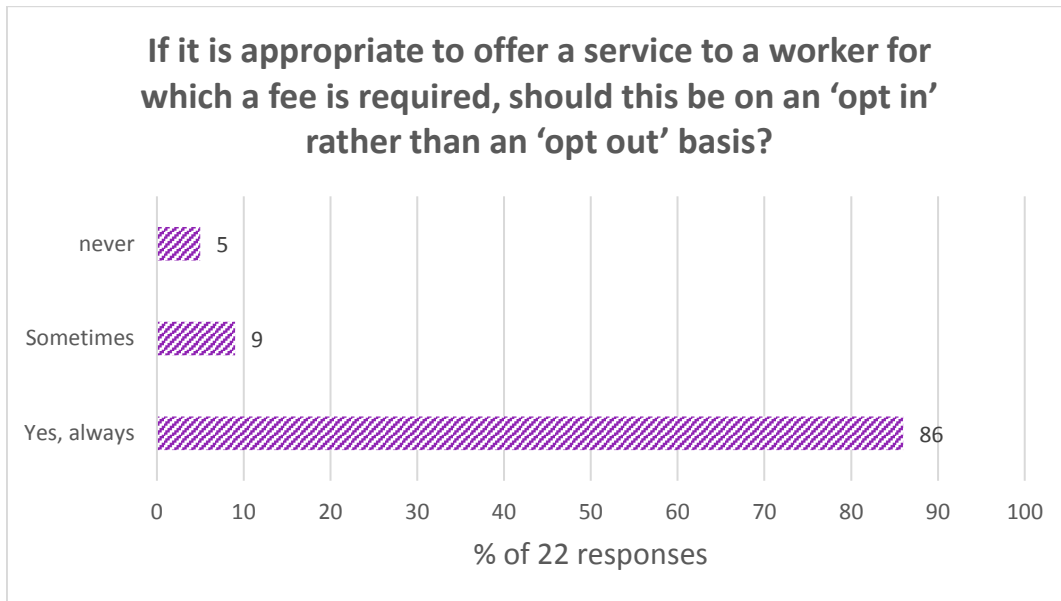
Table of Contents
1. Do you support the principle of 'Employer Pays'?
2. If it is appropriate to offer a service to a worker for which a fee is required, should this be on an 'opt in' rather than an 'opt out' basis?
3. Should transport fees incurred by a worker in the process of recruitment be covered by the employer?
4. What improvements would you like to see made to the 'Eliminating Recruitment and Employment Fees' toolkit?
5. Are any changes needed to the GLAA Licensing Standard 7.1 (Fees and Providing Additional Service)?
6. Do you have any comments regarding GLAA Brief 38 – Job-Finding Fees and Providing Additional Services?
7. Do you support the principle of 'Employer Pays'?

1. Do you support the principle of 'Employer Pays'?

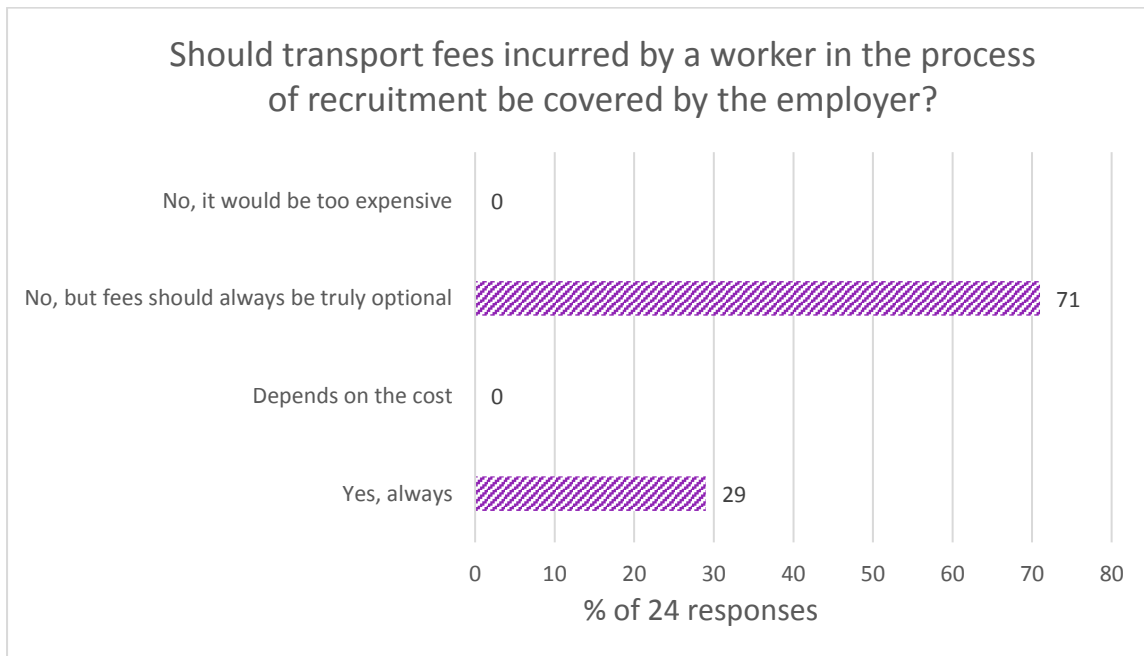
28 Responses



2. If it is appropriate to offer a service to a worker for which a fee is required, should this be on an 'opt in' rather than an 'opt out' basis?
22 Responses



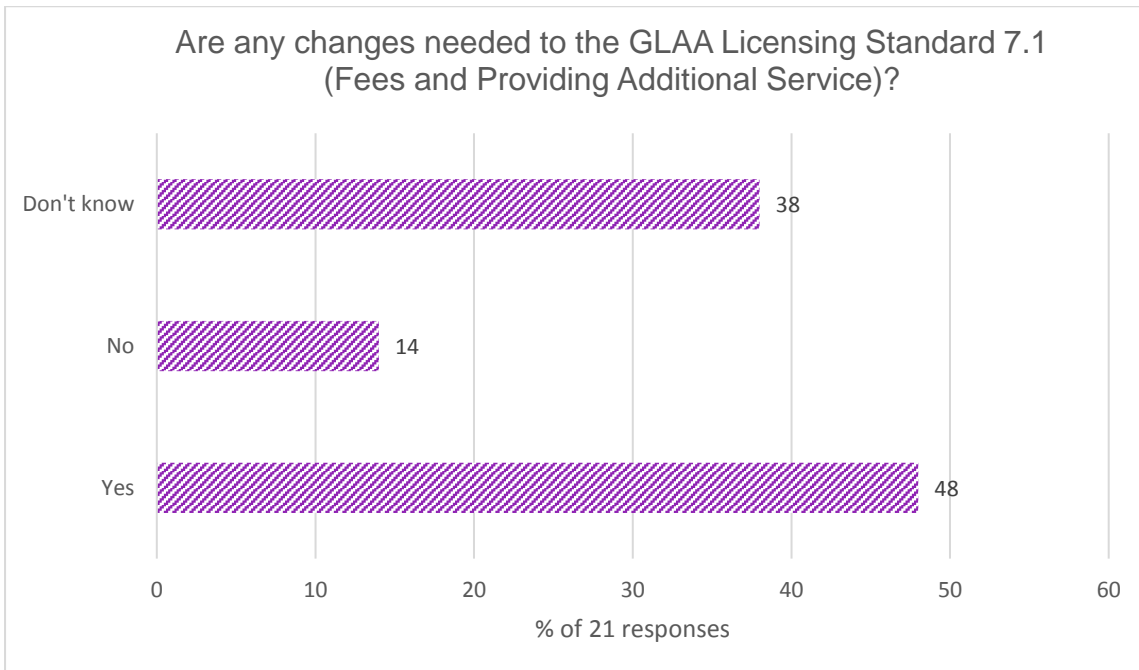
3. Should transport fees incurred by a worker in the process of recruitment be covered by the employer?
24 Responses



4. What improvements would you like to see made to the ‘Eliminating Recruitment and Employment Fees’ toolkit? 4 responses

<ul style="list-style-type: none"> • Case studies on informal recruiters in-country
<ul style="list-style-type: none"> • Need clarity on what is legal and what is ethical
<ul style="list-style-type: none"> • Further guidance to exclude hidden fees imposed by outsiders who have no relationship with the labour provide and labour provider has implements best practice measures
<ul style="list-style-type: none"> • More interactive and kept free

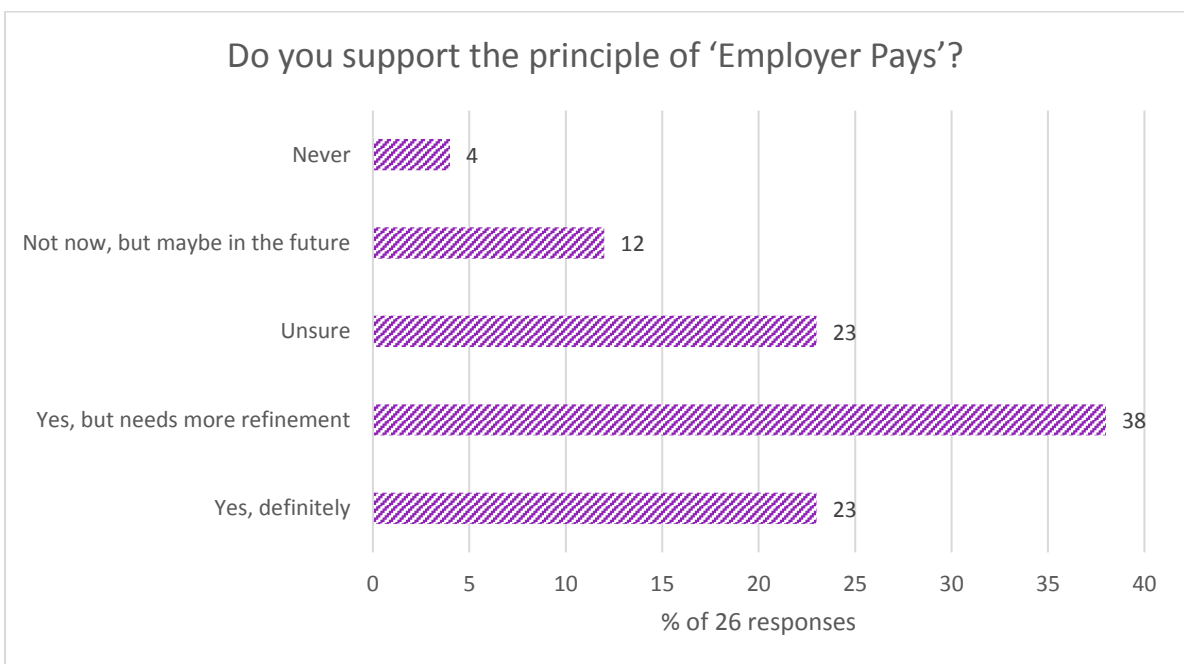
5. Are any changes needed to the GLAA Licensing Standard 7.1 (Fees and Providing Additional Service)? 21 responses



6. Do you have any comments regarding GLAA Brief 38 – Job-Finding Fees and Providing Additional Services? 4 responses

<ul style="list-style-type: none"> • Just needs a refresh with new branding etc.
<ul style="list-style-type: none"> • More explanation around enforcement – the standards are only relevant if enforced
<ul style="list-style-type: none"> • Want to ensure it is written and supported by data and evidence
<ul style="list-style-type: none"> • More briefs

7. Do you support the principle of ‘Employer Pays’? 26 responses

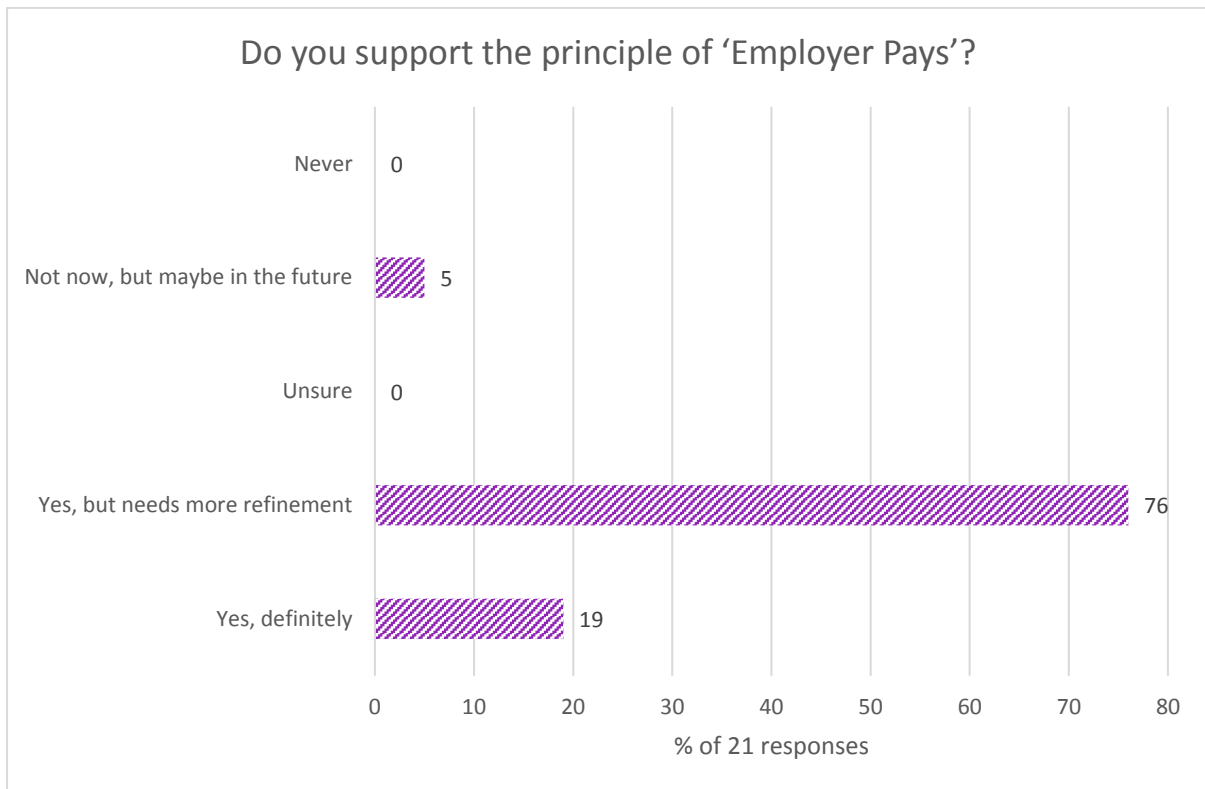


Appendix 3: Slido Multiple Choice Poll Results for Workshop 2:

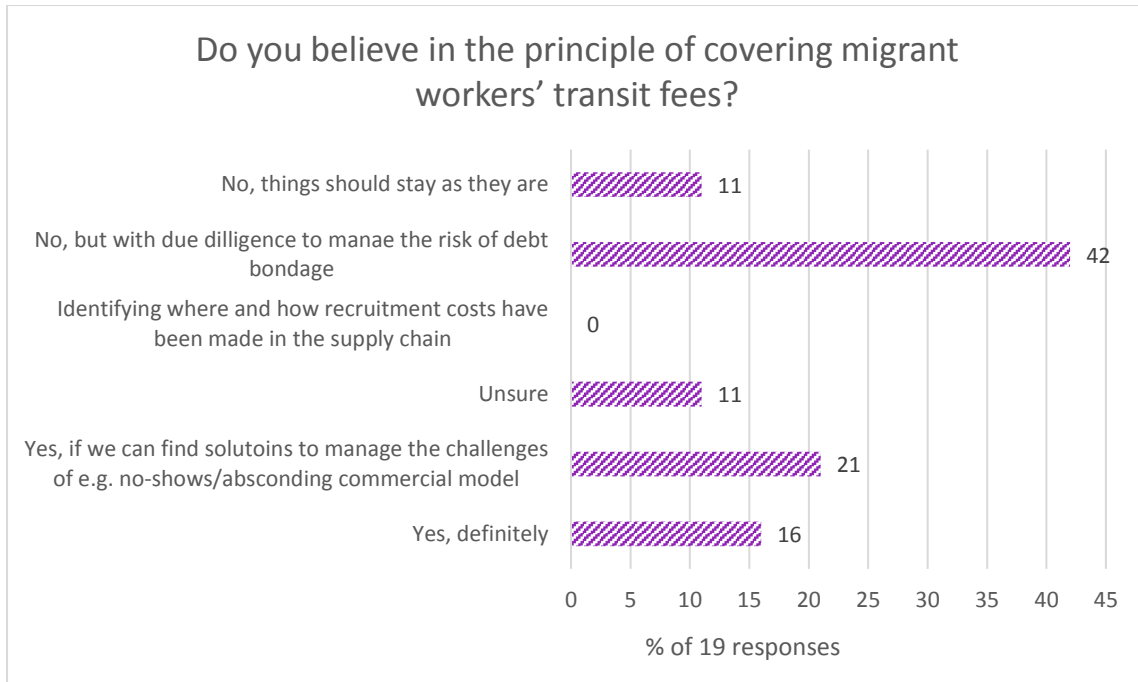
Table of Contents	
1.	Do you support the principle of ‘Employer Pays’?
2.	Do you believe in the principle of covering migrant workers’ transit fees?
3.	What would you like to see more or less of in the Toolkit? (Select all that apply)
4.	Do you support the principle of ‘Employer Pays’?

1. Do you support the principle of ‘Employer Pays’?

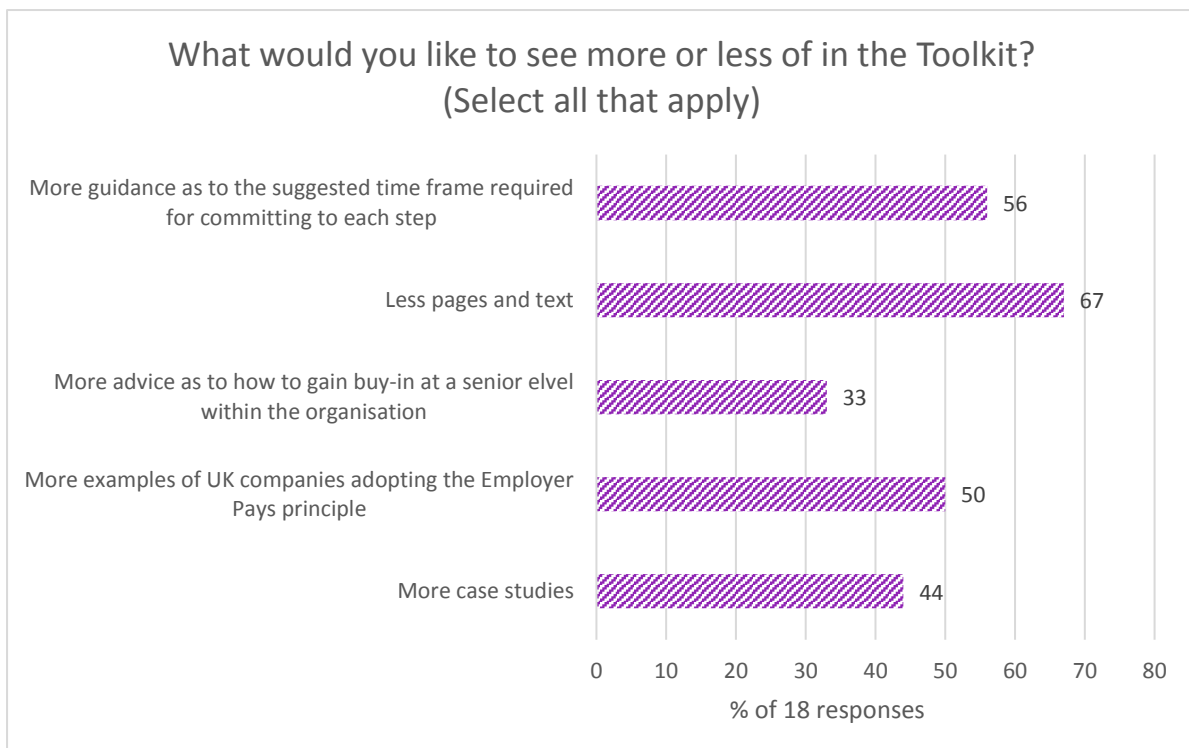
21 responses



**2. Do you believe in the principle of covering migrant workers' transit fees?
19 responses**

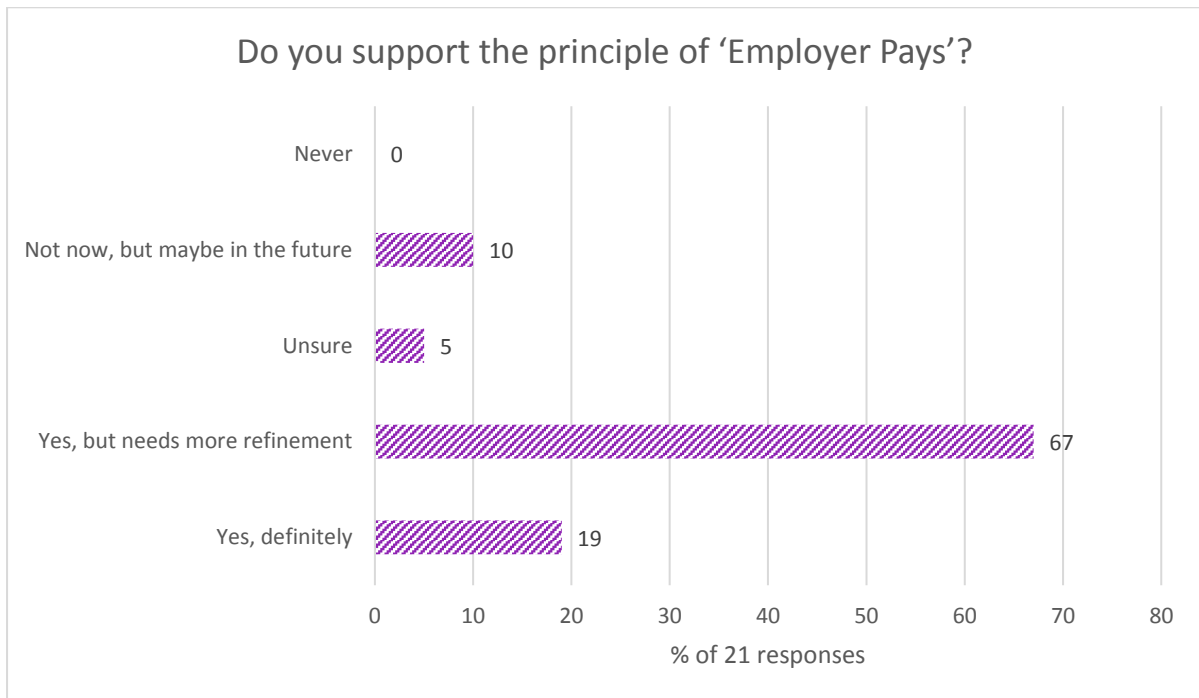


**3. What would you like to see more or less of in the Toolkit? (Select all that apply)
18 responses**



4. Do you support the principle of 'Employer Pays'?

21 responses



Appendix 4: Workshop 1 and 2 - Summary of delegate responses

Workshop 1	
Discussion themes	Summary of feedback
<p>Best Practice (Examples of best practice that are already implemented in your business in relation to identifying and eliminating recruitment fees in the supply chain)</p>	<ul style="list-style-type: none"> • Employee training • Video interviews with workers 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.
<p>Transport_ - suggested points for discussion included:</p> <ul style="list-style-type: none"> • 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? 	<p>From growers and labour providers we heard:</p> <ul style="list-style-type: none"> • 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? <p>From civil society we heard:</p> <ul style="list-style-type: none"> • 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
<p>Remedy - suggested points for discussion:</p> <ul style="list-style-type: none"> • 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? 	<ul style="list-style-type: none"> • 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

<ul style="list-style-type: none"> • 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? 	<ul style="list-style-type: none"> • Supporting workers to access other forms of remedy • What about where there are no receipts?
Feedback on EREF Toolkit	<ul style="list-style-type: none"> • More UK/EU and agriculture case studies • Brexit • Time frame/milestones • Exec summary • Self-assessment questions • Guidance on how to raise the issue with senior management • Toolkit should be broken down into sections • Other models of business e.g. franchises
GLAA Licensing Standards and Brief 38	<ul style="list-style-type: none"> • 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.

Workshop 2

Discussion themes	Summary of responses
<p>Transport Fees - suggested points for discussion included:</p> <ul style="list-style-type: none"> • 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? 	<ul style="list-style-type: none"> • Are retailers going to help fund this? • Speaking to workers - they don't expect to have transport costs paid • Workers need to demonstrate that they want to come for the job • What is the [inadvertent] human rights impact? Could criminal gangs infiltrate? • The timing is not right (Brexit, growers getting squeezed, labour shortages) • Difficulty of Labour Providers (particularly smaller ones) meeting this obligation • Meeting transport costs when recruiting skilled/semi-skilled workers becoming the norm (supply & demand).

	<ul style="list-style-type: none"> • Need more ‘conversations’ with end users to stress that different model (with additional costs) required when recruiting overseas • Potential for discrimination (preference for workers from countries with low transport costs). • Transport is not a significant cost when recruiting into the agricultural sector. • May push production abroad where workers could suffer worsening of human rights.
<p>Feedback on EREF Toolkit</p> <ul style="list-style-type: none"> • Which aspects are most important to you? • Do you have any additional suggestions on the Toolkit? • What other support do you need? 	<p>EREF Toolkit</p> <ul style="list-style-type: none"> • Not a toolkit and not practical • Needs to be departmental • Who is the audience? • Need legal input to provide definition of law • UK case studies • Timescales need to be long term not overnight • Hyperlinks to relevant information/further guidance • More content to help make business case for organisations willing to adopt toolkit.
<p>GLAA Licensing Standards and Brief 38</p>	<ul style="list-style-type: none"> • Brief self-explanatory • Good solid base • Clear • Greater emphasis required in the brief to evidence that optional fees for services are truly optional • Given definition of what is a finding fee – definition and explanation? • Greater detail as to what is pastoral care? • Setting ceiling on what can be charged for a service • No charges/fees allowed