

Worker-driven Approaches

Effective alternatives to CSR

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Global Supply Chains

- Transnational corporate supply chains have emerged as a dominant approach to global production in the 21st century.
- Apparel, footwear, electronics, toys, agriculture, seafood
- Dominated by brand-name companies and retailers, that offshore production to or source from low-cost countries
- Network of contractors and subcontractors that are geographically dispersed.

Conditions for Workers

- Low wages
- Excessive working hours
- Poor health and safety conditions
- Precarious employment
- Inability to exercise their rights to organize
- Child labor, forced labor
- Sexual harassment

The Business Model

- Demands of quality and delivery time and low price → drives a “race to the bottom”
- Shifting sourcing → inability to project long-term → short-term contract and precarious work
- Over commitment and penalties for failing to meet production deadlines = excessive overtime and unauthorized subcontracting
- Pressure from buyers to comply with regulations, but lack of financial and other support by buyers

Why has CSR failed?

- Voluntary, not enforceable
- Weak monitoring and lack of transparency
- Lack of worker involvement and participation
- Failure to address the business model, sourcing and purchasing practices.

Why has corporate-led auditing failed?

- Lack of independence/conflict of interest
- Lack of auditor qualifications and subject matter expertise on labor issues
- Failure to capture – much less remediate – entrenched issues such as low wages, sexual harassment and violations of freedom of association
- **Lack of effective worker engagement, not only in monitoring, but in labor compliance programs overall.**

Failures of CSR

- Rana Plaza – 1,138 dead
 - Brands: Loblaws, Walmart, Benetton, Children's Place
 - CSR: Bureau Veritas, BSCI, WRAP
- Ali Enterprise – 289 dead
 - Brands: Kik (Germany)
 - CSR: UL Responsible Sourcing, SAI, WRAP
- Tazreen Fashion – 112 dead
 - Brands: Walmart, Sears, Dickies
 - CSR: BSCI, brands

Three examples of alternatives

- Fair Food Program (tomato industry in Florida)
- 2 worker-led initiatives in the seafood industry in Thailand
- Initiative in Lesotho to combat gender-based violence in the apparel industry

Farm Workers in the US: some facts and figures

- In 2001, the U.S. Department of Labor described farmworkers as “a labor force in significant economic distress,” citing farmworkers’ “low wages, sub-poverty annual earnings, [and] significant periods of un- and underemployment” to support its conclusions.
- Florida tomato harvesters are paid by the piece. The average piece rate today is 50 cents for every 32-lbs of tomatoes they pick, a rate that has remained virtually unchanged since 1980.
- **As a result of that stagnation, a worker today must pick more than 2.25 tons of tomatoes to earn minimum wage in a typical 10-hour workday — nearly twice the amount a worker had to pick to earn minimum wage thirty years ago, when the rate was 40 cents per bucket. Most farmworkers today earn less than \$12,000 a year.**
- **In the most extreme conditions, farmworkers are held against their will and forced to work for little or no pay, leading one federal prosecutor to call Florida “ground zero for modern-day slavery.”**

What farm workers face

- Harassment and discrimination
- Sexual assault, physical violence, verbal abuse
- Serious injuries, and exposure to dangerous heat and storms
- Pesticide exposure
- Wage theft
- Of farmworker women, 80% are sexually harassed or assaulted
- 100 Number of US farmworkers who suffer a serious lost-work-time injury every day
- The fatality rate for farmworkers is 7 times higher than the rate for all workers in private industry

Context and history

- The domestic market for tomato production is highly concentrated: Florida produces virtually all fresh-market field-grown tomatoes harvested between October and May in the United States and 50 per cent of annual domestic production.
- The industry estimates that more than 30,000 workers are required to grow and hand harvest this crop.
- Growers in the modern era are able to recruit and retain workers from vulnerable immigrant population

Coalition of Immokalee Workers

- Early 1990s a group of migrant farm workers from Mexico, Haiti and Guatemala formed the Coalition of Immokalee Workers (CIW).
- In its initial years, the CIW used community-wide strikes and work stoppages in the tomato fields to pressure Florida growers to improve piece rates and eliminate violence by crew leaders.
- The coalition also worked closely with the US Department of Justice to investigate and prosecute seven cases of slavery in Florida

Targeting the power of brands

- Shift to addressing the imbalance of power: seek leverage not in the fields but rather at the top of the supply chain
- High degree of consolidation in the food industry already meant that multi-billion dollar brands could leverage their market power to demand lower prices from growers, thereby creating downward pressure on farmworkers' wages and working conditions.
- Created the Fair Food Program in 2011

Fast forward:

- 16 major buyers in the Fair Food Program.
- Growers representing over 90 percent of Florida tomato production and major tomato operations in six other states on the East Coast, as well as strawberry and pepper operations in Florida, have agreed to implement the Fair Food Code of Conduct on their farms.

Participating Buyers



food service for a sustainable future®



Participating Growers

Tomatoes - Florida

Ag-Mart/Santa Sweets
Classie Growers/Falkner Farms
Del Monte Fresh Production
DiMare Homestead
DiMare Ruskin
HarDee/Diamond D
Triple D
Farmhouse Tomatoes
Gargiulo
Harllee Packing
Palmetto Vegetable Company
South Florida Tomato Growers

Kern Carpenter Farms
Lipman Family Farms
Pacific Tomato Growers/Sunripe
Taylor and Fulton Packing
Utopia Farms
Tomatoes of Ruskin
Artesian Farms
Diehl and Lee Farms
Frank Diehl Farms
TOR Farms
West Coast Tomato/McClure Farms

Tomatoes - Other States

Ag-Mart Produce/Santa Sweets (NC, NJ)
Gargiulo (GA)
Lipman Family Farms (SC, VA, MD)
Pacific Tomato Growers/Sunripe (GA, VA)

Strawberries

Pacific Tomato Growers/Sunripe

Green Bell Peppers

Lipman Family Farms

Buyers' Commitments

- Agree to purchase covered produce only from farms that meet the standards of the Fair Food Code of Conduct, as verified by the Fair Food Standards Council (FFSC).
- Pay their suppliers “Fair Food Premium,” (“penny-per pound”) which varies in amount according to the type of produce purchased. This money is then passed on to farmworkers in their regular paychecks to augment low wages

Growers' Commitments

- Agree to implement the Fair Food Code of Conduct on farms
- Cooperate with monitoring by the FFSC,
- pass along the Fair Food Premium.
- Farms that fail to come into compliance with Code standards are suspended from the Program until they do, and cannot sell their product to Participating Buyers.
- Participate through representatives in a Working Group to regularly to review Program implementation, discuss practical difficulties and recommend appropriate policy changes if needed.

Code of Conduct...

- Not be the victims of forced labor, child labor, or violence.
- Earn at least minimum wage.
- Always be paid for the work they do.
- Go to work without being sexually harassed or verbally abused.
- Be able to report mistreatment or unsafe working conditions.
- Report those abuses without the fear of retaliation

Code of Conduct

- Have shade, clean drinking water, and bathrooms in the fields.
- Be allowed to use the bathroom and drink water while working.
- Be able to rest to prevent exhaustion and heat stroke.
- Be permitted to leave the fields when there is lightning, pesticide spraying, or other dangerous conditions.
- Be transported to work in safe vehicles.

Workers today are

- Working in an environment where sexual harassment, discrimination, and verbal abuse are not tolerated. Participating in Worker Health and Safety Committees.
- Not working in dangerous conditions, including pesticides and lightning.
- Accessing shade, clean drinking water, and bathrooms as needed.
- Living in safe and secure housing where charges do not reduce wages below minimum wage.

100%

DIRECT EMPLOYMENT
OF ALL WORKERS

250,000

WORKERS EDUCATED
ON THEIR RIGHTS

2,200+

COMPLAINTS
SUCCESSFULLY RESOLVED,
FREE OF RETALIATION

\$30,000,000+

IN FAIR FOOD PROGRAM PREMIUM
DISTRIBUTED TO WORKERS

\$273,830

IN RECOVERED WAGES
THROUGH AUDITS AND COMPLAINT
RESOLUTION

0

CLASS ACTION LAWSUITS,
DEPARTMENT OF LABOR OR
EEOC CASES

SAFETY PROTOCOLS

IMPLEMENTED FOR DRIVING SAFETY,
LIGHTNING, SHADE, WATER AND
BATHROOMS ON ALL FFP FARMS

**FORCED LABOR, SEXUAL ASSAULT
AND VIOLENCE** ELIMINATED

WORKERS' HOURS RECORDED
WITH VERIFIABLE TIME CLOCKS

What are the elements that make this effective?

- Worker to Worker education
- Monitoring
- Complaint resolution
- Market-based enforcement

Worker to Worker Education

- Peer-to-peer
- On the farms, compensated by the hour.
- Usually shortly before the FFSC audit
- Includes training on the complaint mechanism
- To date, over 220,000 workers have received “Know Your Rights and Responsibility” materials (available in English, Spanish and Haitian Creole).
- CIW has educated nearly 52,000 workers face-to-face

This empowers workers to be the frontline defender of his or her own rights

Worker to Worker Training



Compliance In Practice

Effective Monitoring

- Audits done by FFSC, exclusively set up to monitor compliance with FFP's Code of Conduct
- Includes unannounced audits
- Extensive and ongoing document review and interviews with all levels of a farm's management
- Worker interviews take place with 50% of the workforce
- Workers both in the fields and offsite, as auditors visit housing camps, buses and make themselves present at transport spots.
- Supervisors are not present when onsite interviews are conducted to
- Over 20,000 workers have been interviewed as part of the FFP audit program.
- As of October 2017, the program has redressed 6,839 audit findings of non-compliance.

Effective Complaint Mechanism

- Confidential complaints system that is independently run by the FFSC. Guaranteed non-retaliation.
- 24 hours a day, 7 days a week. Toll-free and bilingual
- Triggers investigation and a corrective action plan
- The hotline information informs subsequent audit interviews and worker education programs.
- More than 2,000 complaints resolved so far
- Most complaints are resolved in less than two weeks and the vast majority in less than a month.
- Results are shared with workers, and FFSC keeps a database.

Health and Safety

- Heat injury and illness leading cause of work-related death for farmworkers in the U.S., a rate nearly 20 times greater than for non-farmworkers
- The Code requires:
 - provision of shade for workers in the fields at all times and locations that field work is performed.
 - Workers must also consistently be provided with access to clean drinking water and clean bathrooms,
 - breaks as needed throughout the work day.

75% compliance with shade and bathroom requirements

Health and Safety Committees

- Code requires a Committee on each farm: 5 members, including worker representative.
- Monthly meetings with a broad agenda: heat exhaustion, sanitation, sexual harassment
- Facilitates communication on issues in the fields, and opportunities to provide redress, and to inform workers.
- **50% have compliant committees; 45% have committees and working towards compliance; only 5% don't have one**

Conditions for seafood workers

- Fishing and related occupations are among the most dangerous of all professions: more than 24,000 fishermen and persons engaged in fish farming and processing killed every year worldwide.
- A 2012 study on the working conditions in Thailand's fishing sector found that over 10 per cent of the 600 fishers interviewed had been severely beaten on board.
- The study also found that 17 per cent were in a situation of forced labor

Media exposés, focused on Thailand

- World's top brands and retailers were selling shrimp and other seafood products that had been produced with workers in situations of forced labor.
- Extreme cases of thousands of fishers on Thai-flagged vessels, mostly migrants, who had been in situations of forced labor for up to ten years,
- Forced to work up to 22-hour shifts, whipped with toxic stingray tails, maimed or even killed at sea.
- Catching fish used to feed shrimp that were then sold in leading supermarkets around the world, including the top four global retailers: Walmart, Carrefour, Costco and Tesco.
- Reports also surfaced of hundreds of shrimp peeling sheds in one Thai province where migrant workers were handcuffed in small rooms and threatened with being shot if they tried to cease their work

Factors contributing to these conditions:

- A global industry efforts to drive down costs
- Increasingly depleted fishing stocks
- National legal frameworks and practices that reflect deeply entrenched power imbalances—between workers and their employers, and between suppliers and their buyers
- National legal frameworks that limit labor rights for categories of workers
- Practices such as transshipments, flags of convenience.

Fishers' Rights Network

- Union of more than 2,000 migrant fishermen in Thailand.
<https://justiceforfishers.org/thailand/>
- Established in 2017 by the International Transport Workers' Federation (ITF), but unable to register legally.
- Challenges: out at sea for extended periods of time; work in close proximity with captain and supervisors. Many are in situations of forced labor.
- Language barriers between them
- Risks of being disciplined, terminated, deported, jailed and physically abused.

Fishers' Rights Network

- More than 2000 migrant fishermen, with centers in ports in 3 provinces.
- Builds leadership of organizers
- Emphasize collective solutions, rather than individual ones
- Overcome language barriers with audio and visual training and awareness materials.
- Focused on distribution of fully stocked medicine and first aid kits on boats.
- Builds alliances with other unions
- **Agreement: Thai Union, Greenpeace and ITF**

Migrant Workers Rights Network (MWRN)

- Organizes workers in seafood processing plants, which employ 10,000 migrant workers.
- Works with Thai Union to strengthen the welfare committees, increasing number of worker representatives and electing them democratically
- Build workers' capacity to understand their rights, and to identify and report problems

The Lesotho Agreement to combat GBV

- 3 major brands (Levi, The Children's Place, Kontoor)
- 1 international manufacturer (Nien Hsing)
- 5 civil society organizations, CSOs (3 local trade unions, 2 local women's organizations)

Agreement:

- Cases received and investigated by an independent organization.
- Mandatory remediation, with time-bound steps
- Training for workers and management
- Technical support from international labor organizations
- Oversight governance committee with equal representation

Challenges for WSR

- Can these models be replicated/scaled?
- What is needed to achieve them?
 - Pressure campaigns/exposés
 - Market pressure
 - Worker capacity/ability to drive it
- What is the relationship with local/national legal frameworks, inspectorates, labor justice institutions?