

Supply Chain – Migrant & Contract Labour Policy

**LIBERTY.**

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# Section 1: Liberty's commitment

The migration of individuals in search of more rewarding employment has always existed. When we add the complexities of poverty, unemployment, and civil and political conflicts, we see levels of migration increasing, with migrant workers forming an increasing demographic within global supply chains.

Supply chains in our sector typically employ domestic or foreign migrant workers when the availability of local low-skilled labour is in decline. Workforces are supplemented through the use of formal migration arrangements between home countries and receiving countries, and through recruitment agents providing contract workers. When immigration levels are high as a result of economic hardship or conflict in the home country or territory, migrant workers will be found in global supply chains.

Migrant workers can be subject to limited social protection and inequalities in the labour market. Without understanding their rights, they can also face exploitation, poor employment conditions, forced labour and trafficking.

Liberty is committed to ensuring that migrant workers in our operations and supply chains are treated with respect for their human rights, in line with Liberty's Supplier & Partner Code of Conduct, local and international law, and the Dhaka Principles for Migration with Dignity.

This policy is intended to outline Liberty's expectations of our operations and our partners, as we all work together to safeguard the rights and welfare of migrant and contract workers in our supply chains.

# Section 1: Liberty's commitment

## **Table 1: Definitions**

### **Sending nation/state**

The home country, territory or state from where the worker has migrated

### **Receiving nation/state**

The country, territory or state to which the worker has migrated

### **Migrant worker**

**International** - A person who is engaged or has been engaged in remunerated activity in a state of which he/she is not a national

**Domestic** - A person who is engaged or has been engaged in remunerated activity for which he/she has travelled to another region of their national state specifically for employment

### **Recruitment agent**

A private employment agency, labour recruiter/provider, or any other third part involved in the recruitment, selecting, hiring, transportation, and/or management of migrant workers either in sending or receiving nation or state.

## **How are migrant workers vulnerable?**

- Lack of fluency in the local language can impair training, particularly in relation relating to essential safety information;
- Poor understanding of employment legislation can lead to migrant workers not being aware of their rights;
- Fees paid to recruitment agencies can lead to a situation of bonded labour where a migrant worker is obliged to continue working to repay a recruitment fee;
- Lack of full legal employment status can lead to migrant workers being exploited;
- Migrant workers may not have access to welfare and health facilities in the host country;
- Migrant workers may accept inferior employment terms, or be more vulnerable to discrimination than domestic workers;
- Accommodation provided for migrant workers may not be suitable.

## **How are contract workers vulnerable?**

- Labour providers may not be aware of, or may not implement international labour standards
- The workplace culture within a labour provider's organisation may not be the same as for workers who are directly employed;
- Contract workers are often less secure in their employment, may have less rights in the workplace, may suffer discrimination and may be less-well represented on worker committees;
- Contract workers may not receive the same level of (essential) training;
- The responsibility for contract workers' welfare may be unclear;
- Independent monitoring and auditing often fails to assess the conditions of contract workers.

# Section 2: Supplier & partner responsibilities

- Suppliers and partners are responsible for informing Liberty of the use of migrant and contract workers and for communicating any situations where these guidelines are not being met.
- Suppliers and partners are responsible for making sure that migrant and contract workers are employed responsibly, that they are not indebted to agencies or their employer, that they receive adequate training and that their welfare and rights are safeguarded.
- Supplier and partners should ensure that they adhere to any applicable national law with regards to migrant labour in both the sending and receiving nation.
- Suppliers and partners who employ migrant workers should expect Liberty to conduct a targeted audit of their policies and operational delivery.
- Suppliers and partners should cascade this policy through their workforce and their supply chains, and be sensitive to ensuring understanding in a language understood by their migrant labour workforce.

# Section 3: Policy principles

## 1. Migrant and contract workers under the age of 18 should not be recruited

It is the employer's responsibility to ensure due diligence in avoiding recruitment of migrants under the age of 18 years.

- Suppliers/partners should employ policies and procedures that reflect commitments not to recruit migrant workers under the age of 18 and should require the same from recruitment agents.
- Suppliers/partners should employ policies and procedures that reflect its commitment not to recruit migrant workers who are under the age of 18 and should require the same from recruitment agents.
- Suppliers/partners and their recruitment agents must have procedures in place to verify each migrant workers' age as a part of the recruitment process.
- Suppliers/partners and their recruitment agents should have a remedial procedure in place to manage any cases where a migrant worker under the age of 18 was recruited.

## 2. Recruitment should be conducted with a clear understanding of legislation in the sending and receiving nation/state

Wherever possible, suppliers/partners should recruit workers directly without using third party suppliers. If third party suppliers or recruitment agents are used, the following principles should be followed:

- Suppliers/partners that use recruitment agents should only use partners that are legally registered
- All contracts with recruitment agents should specify that no fees (as per *Table 2: Prohibited Fees*) are to be charged to recruited workers
- Suppliers/partners shall establish appropriate due diligence and monitoring programmes well in advance of recruitment, to screen and manage any recruitment agents used to select, recruit, and/or transport foreign migrant workers to their workplaces.
- Due diligence shall require the supplier/partner to evaluate the recruitment agent's legal status, ethical practices, any record of penalties or complaints, and the capability of the agent to fulfil the supplier/ partner's requirements while meeting the specifications of this policy.
- Suppliers/partners should conduct regular audits of recruitment agents to ensure that they meet the requirements of this policy and of the agreement between the recruitment agent and the supplier/partner.

# Section 3: Policy principles

- Recruitment agents should be transparent with details of any further agents/subagents used, including their charges and terms of engagement. Recruitment agents shall be wholly responsible for the conduct of any sub-agents, who must also comply with this policy.
- Suppliers/partners and recruitment agents should inform applicants through job advertisements and the interview process that the applicants should not bear any costs of recruitment and placement.
- Suppliers/partners and recruitment agents should provide successful applicants with a breakdown of legitimate recruitment expenses that are to be covered by the supplier/ partner prior to signing the job contract.

### **3. Fees should not be charged to migrant workers (no fee recruitment)**

The employer should bear the full costs of recruitment, placement and contract-end repatriation.

- Except when specifically required by receiving country law, no worker shall be required to lodge deposits or security payments, or have such deducted from earnings.
- Suppliers/partners should have an explicit policy which prohibits the charging of migrant workers for recruitment, placement and contract-end repatriation costs or fees as detailed at the end of this section.
- Any costs that need to be covered by a migrant worker, relating to recruitment or other requirements of employment or recruitment should be explicitly specified in the job advertisement and interview process, and should not include any of the prohibited costs outlined in *Table 2: Prohibited Fees*
- Evidence of payment (written receipts) should be provided to the migrant worker, stating the clear amount and date of payment. In some sending countries, the fees are required to be listed in the form of a mandatory statement (i.e. affidavit).
- Suppliers/partners should cover the full cost of transit to and from the migrant worker's home country to the host country, from an agreed upon point of departure. Any costs levied for internal transport in the country of origin as part of the recruitment process in advance of contract signing shall be clearly explained in writing to all applicants through job advertisements and the interview process.
- Suppliers/partners should have an effective system in place to check with migrant workers on arrival that recruitment agents, sub-agents or any third parties have not charged any fees for recruitment or placement, and should take remedial action if fees have been levied. Confidential channels should be available to migrant workers for reporting complaints about fees. Any fees found to have been paid by the migrant worker to secure employment should be immediately refunded to that worker.

# Section 3: Policy principles

- Any health checks required for migrant workers as part of the recruitment process should be at the cost of the supplier/partner. Health checks and reports on applicants should merely indicate the worker's fitness or otherwise to undertake the job. Pregnancy testing should not be conducted unless stipulated by local law.
- Should the employment contract be extended, the supplier/partner should pay the full cost of extending working visas, and any associated costs.
- Timelines for recruiting migrant workers need to be adequate to ensure responsible delivery of services by the recruitment agent.
- Suppliers/partners should provide a written grievance policy that promotes worker disclosure, and prohibits reprisals against workers, relating to any recruitment fees or expenses paid by them during the recruitment, selection, and hiring or employment process.
- Suppliers/partners should provide a clear policy prohibiting 'introduction fees' being paid by the migrant worker to any party, including recruitment agents, HR staff, internal translators, supervisors or other employees or 3rd parties. Charging new recruits a commission to help them find a job in the factory should be grounds for disciplinary action against any employee.



# Section 3: Policy principles

## **Table 2: Prohibited Fees**

- Agency service fees, recruitment or placement service fees in both sending and receiving countries
- Airfare or fare for other mode of international transportation, terminal fees, and travel taxes
- Country of Origin Migrant Worker card
- Passport & application facilitation documents
- Visa
- Host country work and/or residence permits (including renewals)
- Pre-deployment skills tests, certifications, medical exams or other requirements for employment by receiving country or supplier/partner
- Receiving country medical exams
- Pre-and/or post departure training or orientation
- Transportation in receiving country to and from port/place of entry to supplier facility or provided accommodations
- Security deposits or bonds
- Levy or other government required fees
- Insurance
- Contributions to worker welfare funds or government provided benefits in sending countries required to be paid by

# Section 3: Policy principles

## **4. Adequate orientation should be provided to migrant workers**

Migrant and contract workers should receive adequate orientation relating to living and working in the host country. All migrant and contract workers should receive training that includes;

- Basic legal rights and entitlements, as well as obligations in accordance with all relevant laws
- Culture and practices of the host country or receiving community
- Employer rules and regulations, disciplinary systems, communication systems, and grievance processes

With regards to the workplace;

- Migrant and contract workers should receive the employer handbook and/or work regulations in a language they understand
- All written notices should be written, translated or explained impartially to migrant and contract workers
- Workers should feel that they are adequately understood by their employer, with the employer seeking the support of translators if necessary

## **5. Employment contracts are clear and transparent:**

All workers, including migrant and contract workers, should be provided with written contracts in a language each worker understands, with all terms and conditions explained clearly via conversation. Suppliers/partners should ensure that each worker's agreement to be employed is obtained without coercion.

- Contracts should be signed, prior to deployment (migration), and adequate time should be allowed so the full implications of the contract can be understood.
- Contract signing at the border entry or point of arrival, or any time thereafter should be prohibited. Contracts should be signed at least 7 days prior to departure. On arrival, contracts, terms and conditions should be checked for consistency with the contract agreed at the time of recruitment by a workers' representative.
- All conditions of employment for migrant workers should be the same as those afforded to local workers.

# Section 3: Policy principles

- Contracts should be supplied to workers in a language they understand and should specify
  - Employee name
  - Date of birth
  - Birthplace
  - Nationality
  - Passport number/Date of expiry
  - Job role
  - Description of work
  - Occupational Category (skilled/semi-skilled/unskilled)
  - Length of contract & renewal conditions
  - Probationary period and terms
  - Gross pay rate to be paid
  - Pay Day
  - Overtime wage rates to be paid
  - Bonus and allowance, and conditions for attaining and maintaining
  - Accommodation and meal provisions
  - If accommodation and/or meals are to be provided, detail and example photographs should be provided in the employment contract, with clarity as to charges, or wage deductions
  - Estimated minimum net pay the worker should expect to receive each month
  - Any/all benefits to be provided to workers including medical coverage, holiday pay, sick pay, annual leave and public holidays.
  - Maximum allowable overtime hours consistent with the law of the country and our Standards
  - Grounds on which the contract may be terminated.

# Section 3: Policy principles

- Suppliers/partners should ensure applicants are able to demonstrate a clear understanding of the employment arrangements.
- Contracts should be directly between the supplier/partner and the migrant worker. Contracts should not be between the migrant worker and the recruitment agent, or any other 3rd party.
- Contracts should be legally enforceable in the receiving country.
- Changes to contracts after deployment, even where expressly required by law, should not be made without migrant workers consent and only after adequate explanation and consultation with a worker representative.
- Suppliers/partners should take steps to identify any form of contract inaccuracy, deception or substitution perpetrated by the recruitment agency, and take swift effective remedial action where necessary. Equally, the recruitment agency should ensure that any contract agreed between migrant worker and employer is consistent with the contractual terms agreed at the time of recruitment.

## **6. Policy and procedures are inclusive of migrant workers**

Migrant and contract workers' rights should be explicitly referred to in employer and recruitment agency human rights policies, relevant operational policies and procedures addressing human rights responsibilities.

- Suppliers/partners should adopt a migrant workers policy based on international human rights law.
- Policy should be approved at the most senior level of the business.
- Contracts with business partners, particularly recruitment agencies, should set out clear guidance on migrant workers' rights and compliance expectations, as well as standards against which performance can be measured.
- Recruitment agencies should also conduct and demonstrate on-going due diligence in protecting the human rights of migrant workers. They should determine that workers are recruited legally, in accordance with this policy and the Dhaka Principles, and have not been trafficked or exploited. They should also carry out due diligence on the employer and conditions at the place of work, including health and safety conditions for the migrant workers. The process should involve meaningful consultation with migrant workers, their representatives, as well as migrant rights groups and trade unions representing workers in the area or the industry.
- Human resource managers, supervisors and line managers should be trained to ensure that company policies are effectively and fairly applied to migrant workers.

# Section 3: Policy principles

## **7. No worker's documents should be retained**

When documents are taken from workers for processing, confirmation receipts should be issued, a photocopy of the document should be provided to the worker, and such documents should be returned in the shortest possible time. Only duplicate documents should be held by the supplier/partner, in the workers' personnel files.

- Safe, lockable storage, for important personal documents and possessions, should be provided to all workers, including migrant workers. Workers use of provided storage should be voluntary. Access should be limited to the employee. Safe keeping of documentation or possessions by the employer at the request of any employee is not an acceptable alternative.
- Where voluntary safe storage systems are provided, it should be made clear to migrant workers in their conditions of employment that they shall have free, direct and immediate access to them on request. Suppliers/partners should retain a written record of the worker's consent.
- No supplier/partner, recruitment agent, or any other individual should withhold the bankbook, ATM or credit cards of any employee, have access to employee's financial records or control access to funds or remittances.

## **8. Wages are paid regularly, directly and on time**

All workers, including migrant and contract workers, should be paid consistently, earn at least the minimum legal entitlements, and receive payment directly and on time.

- Wages to be paid on a regular basis in accordance with the terms of the contract and national law.
- No deductions beyond those allowed by applicable national law should be made from a worker's payments. If such deductions are allowed by national laws, such deductions and the conditions involved shall be outlined clearly in a workers' contract and payslip.
- Where voluntary safe storage systems are provided, it should be made clear to migrant workers in their conditions of employment that they shall have free, direct and immediate access to them on request. Suppliers/partners should retain a written record of the worker's consent.
- No supplier/partner, recruitment agent, or any other individual should withhold the bankbook, ATM or credit cards of any employee, have access to employee's financial records or control access to funds or remittances.
- There should be no hidden deductions of which migrant workers are unaware when signing the employment contract.
- Withholding or delay of payment should be prohibited.

# Section 3: Policy principles

- Payments should be made directly to employees, or via an official banking system.
- Payments should not be made via any third party, e.g. a recruitment agent, spouse or relative. Migrant workers should be able to choose their own bank freely.
- Migrant workers should have full and complete control of any money earned. Pay should be deposited into a bank account in the migrant worker's own name, not the name of the employer, nor in the case of female or young workers into the account of a spouse or relative.
- All workers should receive detailed pay slips in a language each worker understands.
- Forced saving schemes, deposit, and 'runaway insurance' should be prohibited.
- Tracking payment processes should be an integral part of managing migrant workers within company operations and establishes a paper trail for assurance and monitoring of the labour supply.

## **9. The right to worker representation is respected**

Migrant workers should have the right to join and form trade unions and to bargain collectively, as should all workers.

- All workers, including migrant workers, should have the right to join or form a trade union of their choice and bargain collectively. Where the government does not permit this, the employer should ensure this human right is still respected and seek to promote other suitable forms of social dialogue in the workplace, ensuring democratic representation of the whole workforce.
- Suppliers/partners should not take any measures that would have the effect of discouraging workers, including migrant workers, from forming or joining a trade union or participating in collective bargaining. Workers should not be subject to any discrimination or dismissal because they support or are seeking to join or form a trade union. Contracts should not discourage workers from joining unions and bargaining collectively.
- In situations where migrant workers are not legally permitted to be represented by legally recognised trade unions, the supplier/partner, to what extent possible, shall respect and promote the right to self-organisation of migrant workers and positively engage with representatives of such organisations.
- Suppliers/partners should facilitate the participation of migrant workers in the industrial relations of the business. Independent translation facilities should be made available to allow migrant workers to communicate confidentially and collectively with worker representatives. Employers should make facilities available and provide reasonable time off for union work place representatives to advise migrant workers of workplace issues and their rights.

# Section 3: Policy principles

## 10. Working Conditions are safe and hygienic

All workers, including migrant and contract workers, should experience safe and hygienic conditions of work, free from harassment, any form of intimidation or inhuman treatment. They should receive adequate health and safety provision and training in relevant languages.

- Migrant workers should not be subjected to harassment, harsh or inhumane treatment. The use of threat of physical force or sexual violence, or intimidation of any kind should be strictly prohibited.
- All conditions of work, including regular hours, voluntary overtime, permitted breaks, days off, and disciplinary procedures where applicable should be clearly defined and communicated to all workers in a language each worker understands.
- Disciplinary procedures should not entail the use of punitive fines. No workers should be forced to sign a letter of resignation in advance or any blank paper.
- Migrant workers should be able to terminate their employment with reasonable notice without penalty, or as provided in national law. The employment contract should stipulate a period of reasonable notice for termination, initiated either by the employer or the worker.
- Migrant workers should not be forced to work overtime, and disciplinary measures should not include forced overtime work. Nor should there be any threat of dismissal, penalty, or involuntary repatriation in cases where migrant workers refuse to work beyond contracted hours on any occasion. Consent to undertake overtime work should be evidenced in writing on each occasion.
- Migrant workers should be free to return home during paid leave without fear of reprisal or sanction.
- Suppliers/partners should ensure that migrant workers are included in all health and safety training provided at the workplace and that this is performed in a language each worker understands. Labelling of hazardous chemicals/equipment and operational instructions for machinery etc. should also be translated into relevant languages. Posters and safety notices should also be in a language each worker understands or in pictorial form. Migrant workers should be required to provide feedback to demonstrate their understanding.
- Suppliers/partners should carry out regular due diligence to determine workplaces are safe, and should ensure that any workers recruited/placed receive health and safety training.
- Suppliers/partners should provide or ensure access to healthcare for all workers.
- Migrant workers should have access to worker compensation in cases of injury. This should not be restricted only to those with regular migrant status.
- Migrant workers should be provided, at no cost to them, with all the necessary health and safety equipment, uniform or other materials required to carry out the job assigned to them as part of their employment safely and effectively. Free replacements of such materials when worn or damaged should be provided at times of reasonable frequency.

# Section 3: Policy principles

## 11. Living conditions are safe and hygienic

All workers, including migrant and contract workers, should enjoy safe and hygienic living conditions and safe transport between the workplace and their accommodation (if applicable). Migrant and contract workers should not be denied freedom of movement, or confined to their living quarters.

- Migrant and contract workers should be able to choose whether to live in company provided housing or to make their own living arrangements. Where migrant workers decide not to live in company housing, the employer should provide them with clear information in a language each worker understands on accommodation options and details of transportation to and from the workplace.
- All accommodation provided by the supplier/ partner to migrant workers should be safe, clean and hygienic, with potable and running water, adequate sanitary facilities, as well as temperature-control equipment where necessary. Workers should have adequate personal space, a secure locker for valuables and documents, and some access to privacy. Buildings should meet all laws concerning multiple occupancy dwelling and local building regulations.
- Suppliers/partners should make provision for safe travel between company housing and the workplace where needed. This should include safe transport for women, particularly after dark. Organised transport should be frequent so as not to negatively impact personal time.
- No suppliers/partner or landlord should confine migrant workers to their living quarters or restrict their freedom of movement outside of working hours. Security personnel should not impede migrant workers' ability to come and go. Any restrictions on freedom of movement resulting from legal requirements or as a result of legitimate security concerns should be set out in the employment contract (or through official communication to the worker if in response to legitimate localised security concerns)

## 12. Access to remedy is provided

All workers, including migrant and contract workers, should have access to judicial remedy and to credible grievance mechanisms, without fear of recrimination or dismissal.

- All workers should have access to judicial or non-judicial grievance mechanisms beyond the company level, including legal complaints procedures. Migrant workers should not be denied access to consular services.
- Suppliers/partners should provide access to workplace level grievance mechanisms, administered by themselves, trade unions or in collaboration with others. The mechanism should be explained, and fully accessible, in a language each worker understands. Genuinely confidential channels to lodge complaints or raise concerns should be provided.
- Suppliers/partners should make appropriate provision for all workers to lodge complaints (individually or with other workers) and to seek remedy without fear of financial penalty, intimidation, recrimination or dismissal. Suppliers/partners should never threaten to or contact immigration authorities as a means of eliminating or deterring complaints.



# Section 3: Policy principles

- Grievance procedures should be reviewed regularly with input from workers' representatives, and performance should be tracked impartially.
- Suppliers/partners should not interfere with migrant workers' approaches to worker representatives who can provide impartial advice on, and support with accessing, appropriate grievance mechanisms, including translations/interpreting and legal assistance. Employers should not use such mechanisms to undermine any workers' right to form or join trade unions or to use such mechanisms to deny access to legal remedy.
- Dismissal procedures should always allow for a proper suspension period, to enable workers to pursue an independent investigation without risk of deportation.
- Migrant workers whilst pursuing complaints should have the right to remain employed. Accommodation should remain available throughout the complaints process.
- Grievance mechanisms for female migrant workers should include safe processes specifically designed to identify and address sexual harassment or other gender-related complaints. It may be appropriate to provide safe alternative accommodation, in cases involving sexual harassment, during the complaints process.

## **13. Freedom to change employment is respected, and safe, timely return is guaranteed**

Migrant and contract workers should be guaranteed provision for return home on contract completion and in exceptional situations. They should not be prevented from seeking or changing employment in the host country by placing restrictions that go beyond any found in national law.

- Suppliers/partners should either provide or arrange and pay for migrant workers' airfare or other reasonable transport costs associated with safe repatriation in completion of their contract or as provided in national laws. All migrant workers' contracts should include clauses guaranteeing safe and timely return home at the end of the contract, or during the contract in cases of medical emergency or political and civil unrest that put workers' lives in danger, or threaten the closure of the workplace.
- At the end of a contract all migrant and contract workers should be paid outstanding wages and any other benefits or savings accrued in full. These should be paid to the workers before they leave for home.
- Where migrant and contract workers terminate their contract early, there should be no penalty and the usual assistance in repatriation should be provided.
- Suppliers/partners should provide migrant and contract workers with return tickets home at the employer's expense prior to the end of the contract if a migrant worker becomes pregnant, needs to travel home for a family emergency, or wishes to leave the place of employment for any reason and at any time, unless the migrant worker is in clear breach of contract.
- Suppliers/partners should honour contracts with migrant and contract workers and not use false reasons for terminating a worker's contract prematurely to avoid the costs associated with repatriation at the end of the normal contract term.
- In cases of retrenchment, the supplier/ partner should assist migrant workers in finding new work, or provide a proper compensation package, including the costs of returning home.

# Links

Please click on the links below to access the references used for this policy document.

- [Dhaka Principles for migration with dignity](#)
- [Liberty's Supplier & Partner Code of Conduct](#)
- [The IRIS Standard Labour recruiter's ethical recruitment principles](#)
- [UN Guiding Principles on Business and Human Rights](#)