



Shaping Policy
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Panel Four: Collaborative Approaches

Open Remarks by John Morrison, Chief Executive, IHRB

Check against delivery.

We have heard over the past day how complex the issue of human trafficking is. It is a criminal activity responding to a series of economic, social and political drivers – the so-called ‘push’ and ‘pull’ factors of migration mixed with the incentive to exploit vulnerable people. Given this complexity, collaborative approaches are not just desirable, they are essential if progress is to be made to end the business of human trafficking.

That said, collaborative approaches are not easy. They need to be more than governments or businesses funding civil society organisations to implement programmes. It is first essential to understand the true nature of the economic model behind human trafficking that you are seeking to disrupt. Who is making money and out of whom? Where are the leverage points? What is the nature of the demand – usually desperate human beings – and what kinds of interventions are likely to work? Without clarity of purpose and clear time-frames, effective action will be impossible. Business, government and civil society all have different motivations and will certainly not agree on everything, nor should they. So a mission and objectives, as well as a set of outcomes that can be measured, are essential for effective collaboration.

The example I will give now is one of our own programmes which we hope will make a significant impact worldwide in the fight against human trafficking. It is one that uses the economic leverage of business, but is enhanced by strong government legislation and the advocacy of civil society and trade unions. We don’t know all the answers on effective collaboration but perhaps we are learning some of the right questions.

My own work on human trafficking started in the 1990s in relation to European asylum policy and understanding the impacts of carriers’ liability legislation and other interventions. I was delighted when the organisation for which I now work, the Institute for Human Rights and Business (IHRB) decided to make work in this area a priority back in 2009. We began to understand that it was one of the greatest human rights challenges that business faced worldwide, and one where the economic model of business itself can be part of the problem. We looked specifically at the role of labour agencies worldwide – intermediaries that source labour and move workers around the planet. Often this is legal and well organised, but within

specific corridors it can be routinely exploitative and a key cause of vulnerability that in the worst case can lead to forced labour and human trafficking.

The problem is simply this. Millions of workers are having to buy their jobs by paying huge fees to recruitment agencies – often mortgaging land and taking loans from family members in order to pay the equivalent of several months' salary in advance. In most parts of the world, including within the OSCE region, this would not be legal but it is still a practice that happens in most of our countries. In some countries it is still legal for agencies to charge such fees from the workers (and not the employers themselves, who should be paying). This creates a bidding war, where agents in countries of destination receive huge kickbacks from agencies in countries of origin – it is simply the migrant who is willing to pay the most who gets the job. Arriving in a foreign country with such enormous debts, coupled with other practices such as passport confiscation, a lack of representation and so on, helps set the stage for some of the modern day slavery we see. Not always obvious on the surface, but there if you lift a few of the stones – whether we are talking about agricultural products, consumer goods or construction to name just three business sectors.

In 2012, we launched the Dhaka Principles for Migration with the Government of Bangladesh and many business and non-business actors – setting a due diligence framework for driving out such exploitation from global supply chains. In 2016, we went further and launched a collaborative approach to just one aspect of this – ending all worker fees – globally – within just ten years, by 2026.

This is the ambition, and we facilitate the Leadership Platform for Responsible Recruitment consisting of global brands, NGOs and UN agencies, guided by trade unions, employer groups and others. It is all about making worker fees to recruitment agencies a thing of the past; but to be successful we need to understand how and why such fees are paid at the present time. It is a hugely lucrative industry in which human labour itself has been commoditised. It is, unfortunately, one aspect of the darker side of globalisation – where some supply chains have become reliant on cheap mobile labour.

It is not as simple as companies or their suppliers promising to pay such fees or insisting their suppliers do likewise. As I mentioned, kick-backs are common, so are double-payments – where both the worker and employer are charged in parallel, unknown to each other. Such activities often escape the scrutiny of national labour inspectors or international social audit firms because the recruiters are adaptive, they can off-set fees with phony fees: over-charging the worker for uniforms, accommodation or travel.

As I said, collective action is essential. This cannot be a "demand" only approach. Suppliers are locked into tight deadlines and global demands, which often means that temporary workers are essential. We cannot fight the global recruitment industry, rather we should work with it to help change industry practices. This means increasing the "supply" of responsible recruitment agencies to meet this new demand. So collective action means working on both demand and supply. Pushing due diligence through global supply chains through legislation and leadership commitments, but also increasing the global market for those recruitment agencies willing to make ethical commitments in the fight against human trafficking. This should not just be the right thing to do, we need to make sure it also makes economic sense.

Let's hope that by 2026, collective action has eradicated worker fees in every country and therefore made measurable progress towards eliminating human trafficking.