

# Tool 1: Guidance for the Social Auditing of Forced Labor and Human Trafficking of Migrant Workers

Auditing for forced labor and human trafficking can present a number of significant challenges for brands and third party social auditors. These abuses are often hidden, and can be located in the hiring practices of the brand itself, in the complex sub-contracting arrangements of first tier suppliers, or at the margins of the formal economy where auditors typically have limited access. They may be the result of combined pressures, abuses and exploitation, and not simply a case of physical confinement or locked doors, which are easier for auditors to detect. Coercion may not be the result of supplier or employer mistreatment, although this, too, may be involved; rather, it may originate with abuses levied by an unscrupulous labor broker at the point of recruitment. Abuse with these origins is typically well beyond the reach of traditional CSR tools, making forced labor and human trafficking in global supply chains often invisible to otherwise well-intentioned auditors and global brands.

Integrating the guidance presented in this guide and related set of interview questions can strengthen your audit protocols and performance, and improve auditors' ability to identify potential forced labor risk.

## In Focus

### Forced Labor & Human Trafficking: A Hidden Abuse in Global Supply Chains

*There are many reasons why forced labor and human trafficking can be difficult for auditors to detect:*

- *Deception and lies are a defining factor of human trafficking and among the key means used by dishonest labor brokers to lure their victims into hiring traps.*
- *A situation of forced labor may be the result not of a single, easily identifiable abuse but rather a series of circumstances and violations committed by different actors.*
- *The abuse may originate with the nefarious actions of a labor broker overseas, as in the case of debt bondage due to excessive recruitment fees.*
- *The management of workers by an on-site broker can make it more difficult to determine the nature of employment and working conditions for those involved.*
- *Auditors themselves may also lack the skills, experience and resources they need to see forced labor or human trafficking in the first place.*

## INTERVIEWING MANAGERS

Managers are a key source of information for social auditors. The following approach should be used in audits of brand facilities and those of the brand's suppliers. In assessing compliance against the relevant code provisions, auditors should make sure to speak with all possible members of the senior management team, either one-on-one or in a group. This can include the general manager, a human resource manager, senior CSR personnel and others responsible for social compliance at the facility. Speak about forced labor and human trafficking directly and address the full complexity of these issues, recognizing the need to go beyond asking if such abuse is prohibited. Ask about migrant workers in the facility, and learn more about them; include a section in your interview questionnaire about the use of labor brokers and recruitment methods; and discuss in greater detail the recruitment, selection and hiring process used by the facility, as well as employment conditions facing migrant workers. Cross-check this information with the results of interviews with workers and labor brokers themselves.

Here is a selective list of the key issues that auditors should discuss with facility managers:

- General profile of migrant workers at the facility;

- The process for selecting and contracting labor brokers;
- Who has oversight of the recruitment process;
- Recruitment fees and expenses;
- Contracts of employment for migrant workers;
- Document retention and withholding passports;
- Charging of security deposits;
- Wage payment and deductions;
- Compulsory or involuntary overtime;
- Migrant worker freedom of movement and personal freedom at the workplace and in dormitories;
- Workplace discipline;
- Threats of violence and intimidation;
- Grievance procedures; and
- Migrant worker rights to terminate employment without penalty.

See also the related tool for a full management interview guide: **Tool 3: Conducting Interviews with Managers.**

## INTERVIEWING WORKERS

Speaking with workers – and, in particular, migrant workers – is also a key aspect of a comprehensive and rigorous social audit to address forced labor and human trafficking. This can be done individually or in groups, and every effort should be made to ensure the confidentiality and anonymity of worker identities and the statements they make. This is particularly important when dealing with sensitive matters such as forced labor and human trafficking, which can result in criminal sanctions for the perpetrators and others involved, and thus increase the risk of retaliation to workers.

Make sure to speak with a wide cross-section of migrant workers from different shifts, production lines, occupational groups (e.g. including security or cleaning staff) and sections of the workplace. Speak with workers both informally during the site inspection or walk-through, and more formally in the workplace, at dormitories or other agreed upon locations, if the latter allow workers to feel more comfortable. Use a variety of means and methods of interviewing to elicit detailed information about the recruitment, hiring and employment conditions facing workers.

Here are some of the issues that auditors should discuss directly with migrant workers:

- How they were recruited, hired, transported and received in the countries of origin and destination;
- What fees or expenses they were charged by the labor broker or its local partner in the country of destination;
- Whether an employment contract was signed, with whom it was signed, and whether the worker had to sign two different sets of contracts;
- Whether wage payments are ever withheld or delayed, or if illegal or unexplained deductions are made by the labor broker or facility from workers' salaries;
- If passports or other valuable documentation are ever confiscated; and
- What restrictions there are, if any, on migrant workers' freedom of movement and personal freedom in dormitories or other employer- or labor broker-operated housing.

See also the full worker interview guidance provided in **Tool 4: Conducting Interviews with Migrant Workers.**

## INTERVIEWING LABOR BROKERS

A third feature of an effective forced labor audit – and one which is only rarely performed – is the interview with labor brokers contracted by the facility. This can give the auditor full insight into the recruitment, selection and hiring procedures used by the broker, and the conditions facing migrant workers in pre-deployment, transportation, arrival and placement.



Auditors should speak with a broad cross-section of labor brokers. They should interview broker representatives and sub-agents, if possible, from each country of origin of migrant workers in the facility, as well as local partners in the receiving country. Topics to discuss range from the specifics of fees and expenses charged to workers or the contracting facility to the brokers' legal history and its certification or license to operate in each country from which it sends workers. Some of the other issues to address with brokers include:

- The pre-departure orientation or training they provide to workers;
- Contracting procedures and contract substitution;
- Whether they also performs human resource management functions for migrant workers, such as salary payment;
- Document retention or confiscation; and
- Whether the broker has established an effective complaints mechanism or grievance procedure available to migrant workers.

For full guidance on conducting a labor broker audit, see: **Tool 2: Conducting Interviews with Labor Brokers.**

## REVIEWING DOCUMENTS

A review of documents can be an important part of an audit against forced labor and the trafficking of migrant workers. It is likely to include both company and worker documentation such as wage slips and contracts of employment, which are common to most social auditing systems; however it should also include a review of labor broker materials, which can be collected and used to cross check information gathered through the broker interview. Some of the written documents auditors may wish to review include:

- Signed contracts between each labor broker and the facility;
- A list of all migrant workers in the facility;
- Copies of facility and labor broker policies and each party's respective operating procedures handbook;
- Personnel files for a representative number of migrant workers in the facility, including recently terminated workers and those that have resigned;
- Broker and facility training records for migrant workers; and
- Records of pending and past complaints or grievances that have been raised by migrant workers.

For more insight into how the document review can be used by auditors more effectively, see **Tool 5: Conducting a Review of Documentation.**

### Related Tools:

- What Should You Look For? Identifying Company Risk & Vulnerability to the Human Trafficking and Forced Labor of Migrant Workers
- Conducting Interviews with Labor Brokers
- Conducting Interviews with Managers
- Conducting Interviews with Migrant Workers
- Conducting a Review of Documentation
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