<u>Landworkers'</u> Alliance and Allies call for supermarkets to pay the recruitment and travel costs of migrant workers

The statement is issued by the Landworkers' Alliance (LWA), a union of agroecological farmers, growers, and land-based workers in the UK. LWA is affiliated to La Via Campesina, an international organisation of peasant and agricultural workers' unions with two hundred million members in eighty-one countries. It is also signed by Fair Square and Andy Hall, a migrant worker rights specialist.

Vulnerable migrant workers from overseas pay often high levels of recruitment related fees and costs for their right to work, including for visa applications and travel. This causes several challenges for individuals recruited via the UK's Seasonal Workers' Scheme (SWS) in particular, and for migrants entering the UK under other immigration schemes.

These costs absorb a significant portion of worker wages. Workers pay these costs upfront before arriving in the UK. Research indicates that these workers often sell personal possessions or take on debt, often by taking out high interest rate loans to meet these recruitment related costs. This puts workers at high risk of modern slavery and then exploitation or vulnerability.

If no or infrequent work is available for migrant workers on arrival in the UK, whether due to climatic changes or other situations beyond the worker's, employment intermediaries or employer's control, <u>such individuals cannot pay off their debt</u>, <u>which subsequently increases day by day</u>. Such workers are then at risk of debt bondage, as <u>they find themselves unable to leave an employer</u> to earn enough to repay their debt with another employer or in another industry where work is more prevalent.

We also note that the payment of high levels of recruitment fees and costs, and issues of subsequent debt bondage, has significance well beyond the farming sector, affecting workers on Tier 2 visas in several other high-risk supply chains in the UK.

The requirement for SWS workers coming to the UK to meet many if not all of their recruitment related costs, and the <u>limited monitoring of recruitment channels to detect unethical or irresponsible recruitment</u>, marks the scheme out from similar visa systems in other countries where these costs are mostly or entirely met by employers or a combination of employers and the state. In the US, <u>workers are not liable for any recruitment fees or related costs</u>. In <u>Australia</u> and <u>Canada</u>, these costs are limited and shared with employers and the state.

Given the risks of forced labour resulting from payment by workers of high levels of recruitment related fees and costs, the International Labour Organisation (ILO) recommended in Guidelines published in 2019 that 'No recruitment fees or related costs should be charged to, or otherwise borne by, workers or jobseekers.' This is referred to as the Employer Pays Principle (EPP). Investors groups representing £800bn in assets have already called for retailers to take action to implement the EPP in across their supply chains.

In this regard, we welcome Sedex's recent adoption of the <u>EPP</u> in their updated audit protocol utilised by much of the UK supermarkets' supply chains as a means to promote and ensure compliance with standards on decent work and to prevent forced labour. We also note that these changes have significance beyond the UK, and will require these changes be implemented in supermarket supply chains internationally as well.

The UK Government has today also announced in its <u>response to the 2023 Independent</u> <u>review into labour shortages in the food supply chain</u> a commitment to investigating the use of the Employer Pays Principle for the Seasonal Worker visa route, and to fund economic modelling with the Seasonal Worker Taskforce – an industry-led taskforce focused on improving the welfare of migrant workers. We welcome this announcement but believe any such study should be conducted independently from the existing industry led taskforce and alongside civil society organisations, trade unions, and workers.

We recognise that implementing the EPP for Seasonal Workers in the UK will require a significant financial outlay at a time of great uncertainty for the UK farming sector. We believe, however, that it should be the supermarkets, not farmers, who pay these costs.

Fruit and vegetable farmers are already struggling with financial pressures and uncertainty created by extreme climate, with <u>nearly half fearing they may go out of business within a year.</u> There are risks farms will either be unable to comply with the EPP, or that complying will damage the economic viability of farm employers. To ensure the resilience of UK fresh produce supply, it is imperative that the costs of the SWS and the EPP are not put onto growers and farmers, but are paid by retailers, who benefit from a greater proportion of the profits while shouldering less of the risk of production.

It is worth noting also that supermarkets absorb the lion's share of the value produced by farmers and workers. Research conducted by the New Economics Foundation in conjunction with the Landworkers' Alliance found that 54.7% of the value of strawberries from a case study farm employing SWS workers went to the supermarket, while only 2.2% of the value went to farm as profit.

We note Sedex recognises that farms cannot implement the EPP alone. By categorising this requirement to implement the EPP as "Collaborative Action Required," Sedex acknowledges the proposals will require wider supply chain solutions.

Major British supermarkets have already publicly committed themselves to the implementation of the EPP in their supply chains. Many are already members of the Consumer Goods Forum (CGF), whose <u>Priority Industry Principles on Forced Labour</u> accepts the principle that no worker should pay for a job and no worker should be indebted or coerced to work. Tesco and Marks & Spencer are also members of the <u>Leadership Group for Responsible Recruitment</u>, which has committed to total eradication of recruitment fees and related costs being charged to workers by 2026.

For all of the reasons outlined above, we believe supermarkets must now therefore step up to meet the challenge of implementing the EPP in UK farming, and across other high risk immigration channels including the Tier 2 visa. Indeed, the implementation of the EPP

should not stop in the UK. Supermarkets must also commit to implementing the EPP throughout their entire supply chains globally.

We the undersigned therefore call for UK supermarkets to meet the costs of implementing the EPP in the UK SWS, across the tier 2 visa scheme and across their global supply chains.

We ask that the UK's supermarkets, in conjunction with farmers and other suppliers, workers and trade unions, investors and civil society organisations, all work in partnership, including with the UK government, to swiftly develop a solution for sustainably implementing the EPP in the UK produce sector, across all immigration channels into the UK where workers are migrating for work, and in their global supply chains.

Together we can ensure that no worker on a UK farm or in UK supermarket supply chains has to pay for their job, no vulnerable migrant workers live in debt bondage, and enable a just and fair food production system and supply chain for both suppliers, farmers and workers.

Signed,
Catherine McAndrew, Landworkers' Alliance
Fair Square
Andy Hall, international migrant worker rights specialist