

Business Forum Report 700 Modern Slavery in Food and Agriculture

The Food Ethics Council held an in-person Business Forum meeting on 23 January 2024 on the subject of modern slavery. Speakers were **Elysia McCaffrey**, Chief Executive of the **Gangmasters and Labour Abuse Authority**, **Mike Gidney**, Chief Executive of the **Fairtrade Foundation** and **Kate Roberts**, Head of Policy at **Focus on Labour Exploitation**. This was followed by an online meeting to explore solutions on 6 February 2024. Discussions were held under Chatham House rule, meaning that points remain anonymous and quotes are unattributed. The following report captures insights that were shared and discussed at these meetings.

What is the issue?

'Modern slavery' goes beyond labour exploitation alone. There is a spectrum of exploitation taking place within the food system, such as:

- Workers not receiving holiday pay
- Workers not receiving Personal Protective Equipment and/ or having to pay for it themselves
- Workers not being paid during inductions
- Work-finding fees being charged when they are illegal in the UK, leading to debt bondage before starting work
- Contracts written in languages that workers cannot understand
- Inadequate complaints mechanisms
- A lack of clarity around how the 'piece rate' system or productivity targets intersect with hourly wages
- A lack of independent enforcement and monitoring around workers' transfer requests
- At the extreme and less common but still too common - instances of human trafficking and cases where workers are locked up
- Hidden bribery, with exploiters, including criminal gangs, taking advantage of vulnerable individuals

"I don't think anyone really knows the full scale of exploitation... it's bigger than anyone ever realises."

Why does this matter for businesses?

- Care for and wellbeing of workers
- Retention of workers
- Reputational risk
- Risk of prosecution
- Security of supply

"Trade, generally speaking, particularly in big international food supply chains, is exploitative by default. Some of that is historic – products which come from either a period of enslavement or a period of colonialism, in which exploitation was hard-wired into businesses..." "One worker said 'I don't think it's possible to reach them [targets] every day. They're very very hard. You need to work like a robot."

Why is change hard?

- Our vast, neoliberal global trade system and corporate greed **treat people as commodities.**
- Lack of visibility modern slavery is usually hidden, and the food system has many long, opaque supply chains. Public pressure is relatively low as the public are rarely aware of the exploitation taking place.
- Financial and social precarity among workers many people are desperate to find work and enter the country due to conflict, socio-economic, or climatic pressures. Immigration policies in the UK tend to treat people as criminals, making them more vulnerable. It is difficult to find victims of modern slavery who want to speak up – in part because some people do not seem themselves as victims, do not see a way out and worry about creating further vulnerability.
- Lack of political will and corporate accountability prosecutions are rarely severe enough to act as a deterrent. In one extreme case, a man was kept in a shed for 40 years in the UK working in the food sector, yet the perpetrator was only awarded a nine-month suspended sentence. The government relies on voluntary mechanisms when we know voluntary reporting tends not to work.

"Exploitation exists on a continuum, and we want to be preventative, so that decent work is the norm ... because if there's a situation where exploitation thrives, even at a lower level, you're creating an enabling environment where exploitation becomes normalised and becomes worse."



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What measures already exist?

- **Government resources on modern slavery** including Modern Slavery Statements. Certain commercial organisations must publish an annual statement setting out the steps they take to prevent modern slavery in their business and their supply chains. This is a requirement under Section 54 (Transparency in Supply Chains) of the Modern Slavery Act 2015. More <u>HERE</u>
- Gangmasters and Labour Abuse Authority (GLAA) – set up in 2005, following the tragedy of 23 Chinese cockle pickers losing their lives in Morecambe Bay. GLAA is a regulator, but now has enforcement powers and responsibilities across every sector. Anyone who wants to supply workers into shellfish, horticulture, agriculture, food processing or packaging in the UK must have a GLAA licence, covering standards for workers.
- Business & Human Rights Resource Centre do work to track compliance with modern slavery legislation, strengthen corporate transparency and accountability and engage brands to combat modern slavery - <u>HERE</u>
- Food Network for Ethical Trade whose purpose is 'using the collective leverage of suppliers and retailers to bring about positive change in working conditions in global food, beverage, and horticulture supply chains' - <u>HERE</u>
- Stronger Together a not-for-profit that provides business with practical training, resources and collaborative programmes to achieve its wider vision of a world where all workers are recruited responsibly and have fair work free from exploitation - <u>HERE</u>

What question do we need to ask?

After hearing from speakers and discussing key issues, Business Forum members were invited to co-design a key question to explore solutions to. Members asked:

How can we create an enabling environment to prevent, identify and address modern slavery? "I'd love to find a way of encouraging companies to share, then other companies would probably be able to say, 'us too', then we'd start to have that sectoral transition, where we can say 'look, it's everywhere, what do we do to work together', because pre-competitive collaboration is absolutely the answer."

What are possible long-term solutions?

Business Forum members co-designed various possible solutions to exploitation in food and agriculture.

Suggestions for policy-makers:

- **Strengthen the modern slavery statement** by mandating more of what companies should disclose, as compliance currently remains weak.
- **Tougher sentencing** for modern slavery tougher so it acts as a real deterrent.
- Rethink the Groceries Supply Code of Practice and the Groceries Code Adjudicator so that they address wider exploitation in grocery value chains.
- **Provide a trusted space** for workers and producers to come together and discuss issues.

Steps that businesses can take:

- **Build pre-competitive collaborations** that allow businesses to support each other to take action to prevent, disclose and address modern slavery.
- Include a question for suppliers in your tender selection process, such as: 'Share with us your strategy for preventing and tackling modern slavery in your supply chains.'
- Use the power of disclosure not to *celebrate* modern slavery taking place within value chains, but to bravely acknowledge the reality of the situation and work to improve it. Honest and brave storytelling can take place directly and openly, or anonymously via trade associations or other bodies. Normalising disclosure should help create a culture of collaborative action, and avoid some companies seeking to hide issues.
- Urge trade associations to develop best practice and guidance, share findings at an aggregate level and shape future regulation for the better.