

Responsible Recruitment of Migrant Workers

Recruitment Fees

A research partnership between
The Mekong Club,
Council for International Development,
and The Impact Effect

Interim Paper on Phase 1 of Methodology

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July 2021



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Section 1: Background – The Issue

The issue, as defined by the Mekong Club on their website, is as follows.

1.1 The Statistics

- Shockingly, there is estimated to be over 40.3 million people globally caught up in modern slavery.
- 9.2 million newcomers enter slavery every year, which equates to 25,000 per day, 1050 per hour, and 1 person every 4 secs.
- Over 60% of these victims are found within Asia.
- Each year only 0.2% of victims are assisted.
- There are 16 million victims caught within supply chain activity.
- 46% of victims know their recruiters.
- These barbaric activities contribute to the \$USD 150 billion profits generated by corporates every year.

1.2 What is Modern Slavery?

Modern slavery is a term used to cover various forms of coercion such as state-imposed forced labour, sexual exploitation, indentured child labour, forced marriage and forced labour in private economies. These forms of exploitation involve a lack of consent, with victims unable to refuse or leave because of threats, violence coercion, deception and /or abuse of power.

1.3 Criminal Activity

There are two broad categories of criminal activity in modern slavery: the recruitment and transportation; and the exploitation and enforcement. First, recruiters target potential migrants from within their own communities, or migrants along a migration route, and influence the migrants' decisions by assisting them secure employment in desired destinations. When a recruiter does this with the intent to exploit, this person is part of the trafficking chain and controls through fraud, deception, and the establishment of debt. This can result in people working for months and years without pay. Some recruiters are also transporters. Transporters assist in the movement of migrants to an exploitive site. This can be at any stage along the migration journey.

Secondly, once migrants reach the location of work, owners and/or managers may act as exploiters, while enforcers break-in and maintain trafficking victims. This often involves forms of brutality such as rape, torture, assault, and debt bondage.

1.4 Barriers in Addressing Modern Slavery

As identified in the 'Business Response to Slavery Report' (The Mekong Club, 2017), there are many barriers to addressing modern slavery. These include length and complexity of supply chains; audit processes which are not designed to detect modern slavery; attaining accurate information and data; transparency and release of information dilemmas; commercial prioritisation; and lack of resources to pursue the information.

Section 2: Introduction

2.1 The Mekong Club

The vision of the Mekong Club is to harness the power of the private sector to change business practices in a way that will significantly reduce modern slavery. The Mekong Club aims to act as a catalyst for this change – uniting and mobilising businesses to bring about sustainable practices towards the fight against modern slavery. The Mekong Club is dedicated to combating modern slavery through private sector engagement, harnessing the power that international companies have to encourage industry wide change in stepping up and tackling this issue throughout supply chains. The Mekong Club works with a range of business sectors including finance, retail, apparel, hospitality and construction; holding regular working group meetings, training and advocacy sessions, and building tools to equip companies in the fight against modern slavery across the globe.

2.2 Research Topic

The Mekong Club identified ‘Responsible Recruitment of Migrant Workers’ as its yearly theme for 2020, and sought to research the topic, the purpose being to understand in what way knowledge of current recruitment practices and recruitment fees can be leveraged to best mitigate modern day slavery.

The Mekong Club, Council for International Development of New Zealand, and The Impact Effect agreed to implement the research as a partnership. It was the Mekong Club’s hope to publish this for the greater good, to educate and inform the anti-slavery community and further the fight against modern slavery.

As outlined in Section 1 above, the charging of excessive and illegal recruitment fees is a key driver for modern slavery. Workers must often take on substantial debts in order to pay these fees and secure a job. These debts can be used as a means for coercion and control and may result in people working effectively for free for months or years of their employment.

Many companies have made public commitments to eradicate such fees from their supply chains or promised an employer-pays model to remove this burden from the workforce.

However, the wide range of fees that are being demanded both legal and illegal, as well as inconsistent laws and regulations between countries, create challenges for companies seeking ways in which to combat fees in their supply chains.

This research is therefore to explore in what ways knowledge of current recruitment practices and recruitment fees be leveraged to best mitigate modern day slavery.

2.3 Purpose and Intended Audience

The purpose of the research is to give the reader a holistic understanding of the recruitment situation in selected countries/corridors, allowing them to make well-informed decisions based

on the specific conditions within their supply chain rather than generic statements and poorly framed policies.

The intended audience largely comprises private sector individuals with the responsibility for implementing vital supply chain policies, including the elimination of recruitment fees. Due to the nature of the Mekong Club's work, these will be largely retailers and manufacturers, with a focus on garment supply chains, however this research does not need to be confined to these parameters unless it is helpful to do so. As such, the paper is not presented as an academic paper.

2.4 Research Scope

The intention was to construct research that explores and describes the recruitment environment in the given locations, for example:

- Background information on the typical conditions of recruitment in the location, including key players (agencies, brokers etc.), common themes, any statistics on methods of recruitment used.
- Anecdotal/case study evidence of exploitation occurring via recruitment fee payments and related debt.
- Information on common or known illegal recruitment fee practices in the location.
- If possible, examples of best practice with regards to private sector supporting the migrant worker community to avoid abuses via recruitment fees and promoting ethical recruitment (for examples, private sector orgs paying back migrant worker fees).
- Links to wider reading and resources.

2.5 Geographic Jurisdictions

The jurisdictions/corridors of migration of interest, as identified by the member network of the Mekong Club, were:

- China (internal migration)
- India (internal migration)
- Thailand (internal migration)
- Vietnam (internal migration)
- Myanmar workers going to Thailand
- Vietnam, Philippines, Thailand, Indonesia workers going to Taiwan
- Bangladesh & India workers going to Jordan.

Having said this, after completing a short preliminary literature review, the decision was made to narrow the initial scope to: India internal migration; corridors into Taiwan; and Myanmar workers going to Thailand. It is hoped that this research may, in the future, be replicated to cover additional jurisdictions.

Potential sources of information were thought to include desk research along with access to the Mekong Club's network. Potential methods were thought to be surveys, questionnaires, or interviews.

2.6 Phasing of Research and Purpose of this Paper

Due to the research limitations outlined below, it was decided to conduct the methodology in two phases (outlined in Section 3 below). Phase 2 has not yet commenced. As such the full research is not yet complete and the scope not yet fulfilled.

The purpose of this paper is to provide a summary of progress to date for Phase 1 of the research.

2.7 Research Limitations

Limitations of the research have been identified as:

- The survey component of the research targeted the companies in the Mekong Club's network. Through their connection with the Mekong Club, these companies can be categorised as 'informed' in modern slavery issues; this may be a factor which would skew data and not provide a typical indication of the wider recruitment landscape.
- The research methodology dictates that the creation of the interviews, implemented following the survey to companies in the Mekong Club's network, is dependent on the survey responses and designed to verify and support the survey findings; this became a limitation as survey responses were fewer than expected.
- There are legal challenges related to the sharing of information, which cause concern for private sector business.
- The engagement of responders was further challenged by COVID related circumstances.
- Much of the published data was written pre COVID-19 and as such does not take into consideration the external influencers relating to COVID-19, e.g., the impact of travel restrictions on migration.
- The cohesion of work between the three parties of the partnership was challenged by different time zones, and the research occasionally slowed, sometimes spanning long holiday periods.
- Understandably the Mekong Club preferred to retain primary contact with the companies in their network and as such the researchers did not have direct contact with the survey responders and were unable to influence engagement directly.
- Many of the researchers were interns, and all researchers were working voluntarily, and occasionally experienced conflicting work demands, causing a lag in momentum.
- All researchers were working remotely, had different voices, and had different methods of documenting data.
- The preliminary literature review and desk-top research studies have not been written or presented in academic style.

Section 3: Methodology

3.1 Research Framework

Research Topic: Responsible Recruitment of Migrant Workers – Recruitment Fees

Research Title: Research to explain the impact of current recruitment practices in relation to the charging of recruitment fees on modern day slavery and outline pathways to responsible recruitment of migrant workers in Asia.

Key Research Question: In what way can knowledge of current recruitment practices and recruitment fees be leveraged to best mitigate modern day slavery?

Research Sub-questions: The above research question comprised several research sub-questions:

- What are the recruitment needs of, and challenges faced by, private sector businesses in the countries/corridors of migration?
- What is the current ‘recruitment landscape’ in the countries/corridors of migration (practices, players)? i.e.,
 - Background information on the typical conditions of recruitment in the location
 - Key players (agencies, brokers etc.)
 - Common themes
 - Statistics on methods of recruitment used
 - Extent of knowledge businesses have of supply chains
 - Information on common or known illegal recruitment fee practices in the location.
- What outcomes are the current recruitment practices in the corridors having on modern day slavery? Anecdotal/case-study evidence of exploitation occurring via recruitment fee payments and related debt
- What is the impact of recruitment fees on modern day slavery? (e.g., key driver through debt bondage)
- What is ‘best-practice’ in relation to recruitment fees?
- What are examples of best practices, and in what way do these in turn counteract modern day slavery? Examples of best practice with regards to private sector supporting the migrant worker community to avoid abuses via recruitment fees and promoting ethical recruitment (for examples, private sector orgs paying back migrant worker fees)
- What policies are in place to support best practice?
- What are the options for private sector businesses to adopt best practices and counteract modern day slavery (policies and practices)?
- What resources are available to private sector businesses to assist in the adoption of best practices?

The research framework is show below:

In what way can knowledge of current recruitment practices and recruitment fees be leveraged to best mitigate modern day slavery?

Parent Disciplines 1-3		
1. Recruitment Practices (fees)	2. Impact on Slavery	3. Desired Situation
<ul style="list-style-type: none"> - Key recruitment needs - Recruitment players - Practices – sequence of events - charging of recruitment fees - Linkages to modern slavery 	<ul style="list-style-type: none"> - How current recruitment practices and fees impact modern day slavery (e.g., key driver through debt bondage) 	<ul style="list-style-type: none"> - Best practices - Examples of best practices
<p>Research Sub-questions</p> <ol style="list-style-type: none"> 1. What are the recruitment needs of, and the challenges faced by, private sector businesses in the countries/corridors? 2. What is the current ‘recruitment landscape’ in the countries/corridors (practices, players)? i.e., <ul style="list-style-type: none"> o Background information on the typical conditions of recruitment in the location o Key players (agencies, brokers etc.) o Common themes o Statistics on methods of recruitment used o Extent of knowledge businesses have of supply chains o Information on common or known illegal recruitment fee practices in the location 	<p>Research Sub-questions</p> <ol style="list-style-type: none"> 3. What outcomes are the current recruitment practices in the corridors having on modern day slavery? - Anecdotal/case-study evidence of exploitation occurring via recruitment fee payments and related debt 4. What is the impact of recruitment fees on modern day slavery? (e.g., key driver through debt bondage) 	<p>Research Sub-questions</p> <ol style="list-style-type: none"> 5. What is ‘best-practice’ in relation to recruitment fees? 6. What are examples of best practices, and in what way do these in turn counteract modern day slavery? Examples of best practice with regards to private sector supporting the migrant worker community to avoid abuses via recruitment fees and promoting ethical recruitment (for examples, private sector orgs paying back migrant worker fees) 7. What policies are in place to support best practice?
<p>Recommendations</p> <ul style="list-style-type: none"> - What are the options for private sector businesses to adopt best practices and counteract modern day slavery (policies and practices)? - What resources are available to private sector businesses to assist in the adoption of best practices? 		

3.2 Methodological Design

A methodological process was designed that enabled triangulation of data, i.e., at least three methods of collating data for each research sub-question.

The methods were:

- Preliminary Literature Review
- Desk-top research (websites of companies in the Mekong Club's network, Mekong Club resources)
- Short survey to companies in the Mekong Club network
- Interviews with key companies in the Mekong Club network
- Interviews with other contacts, people in the know
- Interview by zoom with International Labour Organization (ILO) and International Organization for Migration (IOM).

The table below shows the methods for each research sub-question.

Methods	a) Published Literature Review	b) Desk-top Research	c) High level survey to Mekong Club network companies	d) Follow up interviews with selected companies	e) Interviews with others 'in the know'	f) ILO/IOM Interview
Research Sub-questions						
PD 1: Recruitment Practices (fees)						
1. What are the recruitment needs of, and the challenges faced by, private sector businesses in the countries/corridors?	Y		Y	Y		
2. What is the current 'recruitment landscape' in each of the countries/corridors of migration (practices, players)? i.e., <ul style="list-style-type: none"> o Background information on the typical conditions of recruitment in each location o Key players (agencies, brokers etc.) o Common themes o Statistics on methods of recruitment used o Extent of knowledge businesses have of supply chains o Information on common or known illegal recruitment fee practices in the location 	Y	Y	Y	Y		Y
PD2: Impact on Slavery						
3. What outcomes are the current recruitment practices in the corridors having on modern day slavery? -Anecdotal/case-study evidence of exploitation occurring via recruitment fee payments and related debt	Y	Y		Y	Y	Y
4. What is the impact of recruitment fees on modern day slavery? (e.g., key driver through debt bondage)	Y	Y			Y	Y
PD3: Desired Situation						
5. What is 'best-practice' in relation to recruitment fees?	Y				Y	Y
6. What are examples of best practices, and in what way do these in turn counteract modern day slavery? Examples of best practice with regards to private sector supporting the migrant worker community to avoid abuses via recruitment fees and promoting ethical recruitment (for examples, private sector orgs paying back migrant worker fees)	Y	Y			Y	Y
7. What policies are in place to support best practice?	Y			Y	Y	Y

3.3 Design of Methods and Tools

Some of the research sub-questions generated are generic (G), while others are jurisdiction/corridor of migration specific (JS). This is shown below:

Research Sub-questions	G/JS
PD 1: Recruitment Practices (fees)	
1. What are the recruitment needs of, and the challenges faced by, private sector businesses in the countries/corridors?	JS
2. What is the current 'recruitment landscape' in each of the countries/corridors of migration (practices, players)? i.e., <ul style="list-style-type: none"> o Background information on the typical conditions of recruitment in each location o Key players (agencies, brokers etc.) o Common themes o Statistics on methods of recruitment used o Extent of knowledge businesses have of supply chains o Information on common or known illegal recruitment fee practices in the location 	JS
PD2: Impact on Slavery	
3. What outcomes are the current recruitment practices in the corridors having on modern day slavery? -Anecdotal/case-study evidence of exploitation occurring via recruitment fee payments and related debt	JS
4. What is the impact of recruitment fees on modern day slavery? (e.g., key driver through debt bondage)	G
PD3: Desired Situation	
5. What is 'best-practice' in relation to recruitment fees?	G
6. What are examples of best practices, and in what way do these in turn counteract modern day slavery? Examples of best practice with regards to private sector supporting the migrant worker community to avoid abuses via recruitment fees and promoting ethical recruitment (for examples, private sector orgs paying back migrant worker fees)	G
7. What policies are in place to support best practice?	G

Given this, the methods were designed accordingly. The preliminary literature review was implemented once; the desk-top research for each jurisdiction/corridor of migration; others will be implemented once (most in a manner so as to cover all the corridor options, or in a way that enables digging down into detail on specific corridors), i.e.:

- a) Preliminary Literature Review - implemented once to cover all corridor options
- b) Desk-top research – to be corridor specific
- c) High Level Survey to companies in the Mekong Club's network – to be implemented once and designed to cover the specific corridors
- d) Follow up interviews with selected responders (companies) – implemented once and designed to delve deeper into specific questions in specific jurisdictions/corridors of migration
- e) Interviews with others 'in the know' –implemented once, and designed to delve deeper into specific questions in specific jurisdictions/corridors of migration
- f) ILO/IOM Interview –implemented once and designed to cover the different jurisdictions/corridors of migration.

The specific tools designed are provided as Appendix 1.

3.4 Stakeholders

Six groups of stakeholders were identified:

Stakeholder Group 1: Mekong Club network companies who operate in India

Stakeholder Group 2: Mekong Club network companies who operate in Taiwan

Stakeholder Group 3: Mekong Club network companies who operate in Thailand

Stakeholder Group 4: Stakeholder group and tool, to be determined once responses from survey have been collated

Stakeholder Group 5: Others 'in the know' who may have information that would help with Tool 'e', e.g., practitioners, researchers, businesspeople, and international aid workers who have information relating to the topic.

Stakeholder Group 6: ILO and IOM contacts.

3.5 Research Phasing

As explained in Section 2. 6 above, the methodology was implemented in two phases:

	PHASE 1	PHASE 2	STATUS
	Preliminary Literature Review Desk-top research (websites of companies in the Mekong Club network, Mekong Club resources) Short survey to companies in the Mekong Club's network		Completed
		Interviews with key companies in the Mekong Club network Interviews with other contacts, people in the know Interview by zoom with ILO and IOM	To be completed
OUTPUT	Interim Paper on Phase 1	Final Report	

This interim paper provides a summary of progress to date for Phase 1 of the research.

Phase 2 has not yet commenced, and its implementation will enable a final report to be developed.

3.6 Research Team

- Dr Jacqueline Parisi (The Impact Effect)
- Emily Wakelin (Council for International Development)
- Campbell Garrett (Council for International Development)
- Laura Turner (Council for international Development).

3.7 Implementation Sequence

Given the research phasing required (see Section 3.5 above) the implementation sequence, and duration, is provided below (green shading showing Phase 1 activity).

	Action	Approx. Duration
Phase 1	1. Secure Researchers	2 weeks
	2. Design Tools	5 weeks
	3. Brief initial researchers	1 week
	4. Commence preliminary research (Lit review) and write up	4 weeks
	5. Commence Desk-top research	2 weeks
	6. Consider concurrent legal research	2 weeks
	7. Confirm stakeholders	3 weeks
	8. Survey to companies in the Mekong Club network	5 weeks
	9. Data collection	2 days
	10. Analysis of data	1 week
	11. Write up 'Methodology'	1 week
	12. Write up 'Findings' and 'Analysis'	1 week
	13. Develop and write up 'Conclusions' and 'Recommendations'/finalise interim report	10 days
Phase 2	14. Follow up interviews with selected companies in the Mekong Club network	2 weeks
	15. Interviews with others 'in the know'	1 week
	16. ILO/IOM Interview	1 week
	17. Integrate findings and develop final report	1 week

Section 4: Preliminary Literature Review

4.1 Preliminary Literature Review Introduction

As outlined in previous sections, this research into current recruitment fees and practices and how to leverage them to best mitigate slavery throughout Asia, commenced with a preliminary literature review.

The purpose of this preliminary literature review was to gain an understanding of the current published literature. As noted in Section 2.7 (Research Limitations) the preliminary literature review is not written as an academic paper and contains hyperlinks for ease; it has been written to document the results of a search for published data. The scope of the preliminary literature review was the wider initially proposed jurisdictions, i.e.:

- China (internal migration)
- India (internal migration)
- Thailand (internal migration)
- Vietnam (internal migration)
- Myanmar workers going to Thailand
- Vietnam, Philippines, Thailand, Indonesia workers going to Taiwan
- Bangladesh & India workers going to Jordan.

When managed well, labour migration has the potential to aid economic growth, alleviate poverty, and help to develop communities, families, and workers alike. However, mismanagement of migration often leads to an increase of vulnerability and exploitation of migrant workers, poor regulation of migration corridors, unethical recruitment practices and fees, and various forms of modern-day slavery. This is prevalent in the Pacific and throughout Asia.

4.2 Recruitment Fees

Research shows that migrant workers can be exploited by brokers who charge excessive recruitment fees, provide misleading information regarding job offers, or withhold identification documents of the migrant workers (IOM & amfori, 2019). These actions typically prevent migrant workers from leaving their organisations and subjects them to working in geographic areas in which they may not have previous experience, may not have the capacity to fulfil, or may not be physically suited to. The workers' work permits are typically tied to their employers, giving the employer total control. As such they are not able to seek alternative or additional employment and remain with the employer in the quest to establish a financial safety net and increase their standard of living (IOM & amfori, 2019).

Common challenges in recruitment practices and subsequent employment include:

- Charging of excessive recruitment fees
- Misleading employment information
- Employers withholding identification information
- Forced labour

- Easy abuse
- Overworking for little to no pay
- Inability to seek alternative employment
- Lack of effective communication due to language barriers
- Dependence on employers for providing accommodation and financial security
- Degrading living conditions for migrant workers.

Poor recruitment practices and tremendous fees not only have an impact on the financial situation of migrant workers, but they also take a toll on the mental and emotional well-being of these people, and further impacts work performance and undertaking of daily tasks. Some key impacts on well-being include poor access to healthcare and therefore poor health, dense and degrading living conditions, fatigue, stress, and depression.

An online media channel, The Wire, provides background and context of the issues experienced in South-east Asia, and on this website a report by a Kathmandu-based organisation states that across South Asia, governments treat internal migrants as "human entities meant for profiteering by others". (The Wire, 2021)

4.3 China Internal Migration

[The ILO](#) (ILO, n.d.) reports that China experiences the most extensive internal migration. Internal migration is characterised by two main features: migrants leaving farmlands for urban areas and/or for agricultural activities: labour flows directed from interior to coastal areas. Rural migrant workers have had a positive impact on the socio-economic structure of China. They have increased incomes for rural residents, generated wealth for the society, and contributed to rural and urban development as well as the modernisation of China as a whole (ILO, n.d.).

One of the articles regarding ethical recruitment practices in China was written by [Ethical Trading Initiative](#). It outlines the significance of the manufacturing sector and the need for migrant recruitment to make up the number of workers in busy seasons. It mentions that, as migrant workers are in such high demand, they are less likely to have to pay recruitment fees. However, a survey indicated that 12% of workers have had to pay recruitment fees to obtain jobs (Ethical Trading Initiative, n.d.).

Another [article published in 2005 by Xinhua News Agency](#) outlines a new "Spring Breeze Action" that offers migrant workers employment without recruitment fees. It is unknown whether this action has continued and the impact it has had on recruitment practices.

4.4 India Internal Migration

An essay written online outlines the [limitations and shortfalls of the Indian private sector](#) (Jain, n.d.). This includes high emphasis on low-priority industries; emergence of monopoly of power and economic concentration; concentration of black money; industrial disputes; industrial sickness; regulatory procedure and related delays; unnecessary control; inadequate

diversification; reservation for the small sector; lack of finance and credit; and low ration of profit (Jain, n.d). These challenges faced by the private sector will most likely result in an increase in the need for migrant workers, which in turn will impact flows of internal migration and increase the number of workers affected by unethical recruitment and poor working conditions.

[The Migration Policy Institute](#) (Abbas & Varma, 2014) explains that both marriage and the long-distance, male dominated migration are the two main drivers of internal migration in India. The webpage explores migration flows and how they are difficult to measure. This website is a helpful complement to the link above (referring to the Indian private sector) and helps to provide a deeper understanding of the driving forces behind this kind of migration.

4.5 Thailand Internal Migration

[Thailand Business News](#) (Auethavornpipat, 2017) reports that the declining fertility rate is decreasing Thailand's workforce and that migrant workers are needed now more than ever. Recent moves on the Royal Ordinance on Foreign Workers Management, in an attempt to address the issue of debt bondage and charging of excessive recruitment fees, has led to a mass exodus of migrant workers from Thailand (Auethavornpipat, 2017). This has caused a labour shortage in the seafood, construction, service, and agriculture industries and has changed the pre-existing view of migrant workers being the cause of communicable diseases, rising crime rate, and environmental degradation in Thailand (Auethavornpipat, 2017). This reduction of the workforce and lack of migrant workers in primary industries calls for a greater need of internal migration across Thailand.

4.6 Vietnam Internal Migration

[A UNDP and IOM co-publication](#) (UNDP, UNESCO, UN-Habitat & IOM) assesses the context of Vietnam internal migration and the effect of climate change on migration patterns. They note that Vietnam's internal migration is mostly intra-regional except for the Southeast, drawing migrants from other regions. Climate change would also see a shift in migration patterns due to rising sea-levels, inundated wetlands, water pollution, overfishing, and soil degradation (to name few), causing mass displacement across the region and push people toward urban centres (UNDP, UNESCO, UN-Habitat & IOM, n.d.).

As mentioned in the report, a survey conducted in 2015 showed that 13.6% of Vietnam's population are internal migrants which is significantly higher than the international migrant population which sat at 2.9% of the total Vietnamese population (UNDP, UNESCO, UN-Habitat & IOM, n.d.).

4.7 Myanmar Workers Migrating to Thailand

[The ILO](#) (2015) explains that migration of labour from Myanmar to Thailand is driven by cross-border trade and investment, differences in economic development, and Myanmar's ethnic conflict. This same report explains the importance of migrant workers on the prosperity of the economy. The recruitment fees paid by the migrant workers appear to contribute to government budgets and the workers add value to the GDP of the country, making them

desirable workers (ILO, 2015). In 2007 it was noted that migrant workers paid an equivalent total of \$12 billion to the government as an extra budgetary income (ILO, 2015).

The UN Migration Agency hosted a [two-day workshop](#) in November 2018 on ethical recruitment standards and the International Recruitment Integrity System (IRIS) certification process. Twenty-five private recruitment agency members of the Myanmar Overseas Employment Agencies Federation and other ministry staff members took place in this workshop. The purpose of this was to increase understanding of ethical recruitment practices and how to become IRIS-certified.

Cal-Comp Electronics is a leading employer of migrant workers in Thailand. It is estimated they have a migrant workforce of more than 13,000 workers, with the majority coming from Myanmar. [A report was written in 2018](#) by this company looking into ethical recruitment practices that follows the “employer pays” principle, mitigating risk of forced labour and debt bondage. A series of interviews were conducted from 2016 to 2018 in Cal-Comp’s two major production facilities. Research has shown that although there have been improvements, the organisation remains far from compliance leaving migrant workers at risk of forced labour and debt bondage (Cal-Comp Electronics, 2018).

4.8 Vietnam, Philippines, Thailand, Indonesia Workers Migrating to Taiwan

[The China Post](#) (Yen, 2020) reports on the request for Taiwan to ban recruitment fees in the interest of combatting human trafficking. The argument is that these fees should be the responsibility of employers rather than employees. Excessive fees often leave migrant fishermen susceptible to vulnerabilities and further exploitation by corrupt brokerage systems (Yen, 2020). Better recruitment practices will help prevent exploitation in their designated areas that further leads into human trafficking.

A slide show by [Hope Workers’ Center](#) (Hope Workers’ Center, n.d.) shows the current landscape of the migrant workers in Taiwan and what challenges the workers face including the lack of protection, lack of bargaining power, and corrupt broker agencies. This presentation focuses on Vietnam, Thailand, Indonesia, and the Philippines.

A report published by [Interfaith Centre on Corporate Responsibility](#) (Gurney, 2017) explores Taiwan recruitment fees and practises and provides a breakdown of what constitutes the total fee; visa, travel, accommodation, recruitment fee to employer. The breakdown shows the types of fees that are paid before departure and the fees that the employer is willing to cover. Indian and Vietnamese workers roughly end up being charged Taiwan \$184,000-190,000 (equating to USD6500-6800) and Thai workers are charged approximately \$145,000 (Gurney, 2017).

The report also provides case studies into Taiwanese companies. Coca-Cola in Taiwan had migrant workers from Thailand, Vietnam, and Indonesia. They were among the first food and beverage companies to adopt a policy that banned recruitment fees to migrant workers (Gurney, 2017). In 2014, Coca-Cola set reviewed its internal policies and due diligence to better protect workers in its supply chain (Gurney, 2017).

4.9 Bangladesh and India Workers Migrating to Jordan

[The ILO and other co-publishers](#) (2016) have written a report on Bangladesh workers migrating overseas. Although the destination did not include Jordan, it provided an overview of Bangladesh migrant workers' current situation and challenges and questioned how migration is induced. Graphs in the report show a trend of unskilled migrant workers being deployed for work, which is challenge when overseas, and leaves them open to further exploitation (ADB & ILO, 2016).

Research performed by the [ILO](#) (2019) focuses on the Nepal-Jordan corridor. It also looks into the benefits of fair recruitment and the reality on contract deception on the wellbeing of the migrant workers. A comparison study was conducted where fairly recruited migrant workers were employed in Jordan and interviewed alongside conventionally recruited workers (ILO, 2019). As expected, the fairly recruited workers showed a more positive outcome. There appears to be a large gap in this area of research for the Bangladesh/India – Jordan migrant corridor.

4.10 Impact on Slavery

[Shawn MacDonald](#) (2014) draws links between recruitment fees and debt bondage/working for no pay. The lack of accountability amongst labour brokers and private employment agencies leads to cheating of employment in the form of a completely different job than promised, or no job at all (MacDonald, 2014). Regardless of the outcome, these migrant workers are expected to repay this recruitment fee, often working ridiculous hours with no over-time and a small wage which does not cover recruitment costs or the debt it incurs (MacDonald, 2014). This is the pathway to modern day slavery and human trafficking.

The ILO (2017) provides a factual overview of [slavery statistics](#) to help develop a further understanding of the where forced labour, human trafficking, and modern slavery is more prevalent. ILO report that an estimated 40.3 million people are trapped in modern-day slavery at any one time; 1 in 4 victims of slavery are children; 4.8 million people are sexually exploited; 24.9 million people are trapped in forced labour; 4 million people are in state-imposed forced labour; and women and girls are reported to account for 99% of sex industry victims and 58% in other areas (ILO, 2017).

4.11 Recruitment Best Practise

[Interfaith Centre on Corporate Responsibility on best practises of recruiting migrant workers](#), in their report 'Best Practice Guidance on Ethical Recruitment of Migrant Workers' highlights the process some organisations follow to ensure ethical recruitment processes of migrant workers and positions them as standards for other companies wanting to implement an increased standard of migrant recruitment processes and drive sustainable change (Gurney, 2017).

This report provides an in-depth investigation into specific case studies throughout Asia, the Americas, and Africa and outlines the steps that each company in those areas took to ensure better recruitment fee practices. The best practices are summarised below:

1. **POLICY DEVELOPMENT:** Adopt a forward-facing (public) policy and a guidance document that addresses the recruitment of migrant workers, including the prohibition of worker-paid fees, passport/personal paper confiscation and a written contract with the terms of employment in the language of the worker (3-pillar model). Map the entire supply chain including products, services and labour to identify the risks and, with the support of top management, start implementing the policy across these entities.
2. **DIRECT RECRUITMENT:** Where feasible for a company, establish a direct recruitment mechanism with dedicated staff in sending and receiving countries. If a company must use broker services, work only with authorized brokers securing direct hiring of workers immediately after placement.
3. **WORK WITH SUPPLIERS:** Establish an understanding with suppliers vis-à-vis recruitment through direct communication, contracts and other tools. Conduct trainings on ethical recruitment, assist suppliers with reimbursement of fees and verify that only authorized brokers are used.
4. **AUDITING TOOLS:** Ensure that the recruitment system is included in the scope of a 3rd party audit and that recruitment agencies are included in the scope of the audit. Best Practice Guidance on Ethical Recruitment of Migrant Workers.
5. **COMPLIANCE WITH LOCAL LAW:** Migrant workers are covered under local labour law for wages, overtime, leave, holidays, health insurance and social security benefits. No illegal deductions from wages are withheld without a worker's explicit consent. Workers have freedom of association and collective bargaining rights. Company investigates any allegations of worker abuse.
6. **RECRUITMENT FEES REIMBURSEMENT:** Company defines recruitment fees, adopts a fee-free model and verifies reimbursement of fees to workers.
7. **BEYOND COMPLIANCE:** Company assists suppliers with covering recruitment costs; company/suppliers ensure that workers have access to grievance mechanisms. Accommodation, food and transportation allowances, transportation to/from home countries, and supplemental accident insurance are covered in company's direct operations and by suppliers.
8. **LEADERSHIP:** Company participates in industry initiatives like the Leadership Group for Responsible Recruitment, EICC, AIAG, FPLG and others. Company collaborates with local governments through MOUs or taskforces and civil society on worker's rights issues.

Additionally, International Recruitment Integrity System ([IRIS](#)) (IRIS, n.d.) has published a tool created by the IOM to help advance the establishment of ethical recruitment as a norm. They also provide tools and guidelines to ensure that companies are approaching recruitment practices in best way possible. A report written by the IOM and IRIS (IRIS & IOM, 2020) on [guidance for labour recruiters](#) sets out guidelines for employers and recruitment agencies to follow to ensure ethical recruitment.

IOM & amfori (2019) present a [short report](#) 'Enhancing Protection of Migrant Workers in Asia Through Responsible Recruitment and Employment Practices - Round Table Report', which outlines the challenges faced by migrant workers and how to best remedy them. It is suggested that a 'multi-stakeholder' and collaborative approach is required when promoting ethical recruitment and putting forward the best interests of the workers. This report also provides recommendations for best practise. These include:

1. Strengthening the monitoring and due diligence on employers so that transparency can occur.
2. Strengthen the reporting by the private sector.
3. Raise awareness on the rights and responsibilities that migrant workers have.
4. Provide a detailed and straightforward employment contract to migrant workers.
5. Increase and strengthen collaboration.
6. Raise awareness of employers by encouraging training and further knowledge (IOM & amfori, 2019).

UNODC has published a report on 'The Role of Recruitment Fees and Abusive and Fraudulent Recruitment Practices of Recruitment Agencies in Trafficking in Persons', which also includes a small section providing guidance to business (UNODC, 2015).

4.12 Summary

- Migrant workers are vulnerable to exploitation by brokers, who charge excessive recruitment fees, provide misleading information regarding job offers, and/or withhold identification documents of the migrant workers. This ties the migrant workers to the employer and prevents them from seeking alternative employment.
- China, Vietnam, India, and Thailand internal migration corridors have produced varying, but not large, amounts of literature. Overall, the internal migration focus is lacking, and a large gap exists in the research. With the exception of India, for all of the locations studied, none of the information sourced gives any insight into the struggles faced by the private sector in relation to recruitment.
- Comparatively, there is seemingly more information available on Taiwan migrant recruitment fees and practises than any other migrant corridor.
- An exceptionally large gap exists for the Bangladesh/India to Jordan corridor.
- A considerable amount of literature is available relating to the links between recruitment fees and modern-day slavery.
- Much information is available on best practice for recruitment fees and practices. Most articles and report suggest the same or similar ways of moving forward in an ethical manner.
- This research presents an opportunity to contribute to the body of knowledge and research in this topic.

The preliminary literature review showed a lack of available information. It was therefore recommended that the scope of the research be narrowed to enable depth of findings. The scope was subsequently narrowed to three migration corridors: India internal migration; corridors into Taiwan; and Myanmar workers going to Thailand.

Section 5: Desk-Top Research Findings

5.1 Introduction

As outlined in Appendix 1: Tools, the purpose of the desk-top research is to answer the below research questions:

What is the current 'recruitment landscape' in the corridors of migration (practices, players)? i.e.,

- Background information on the typical conditions of recruitment in each location
- Key players (agencies, brokers etc.)
- Common themes
- Statistics on methods of recruitment used
- Extent of knowledge businesses have of supply chains
- Information on common or known illegal recruitment fee practices in the location.

What outcomes are the current recruitment practices in the corridor having on modern day slavery?

Anecdotal/case-study evidence of exploitation occurring via recruitment fee payments and related debt?

What is the impact of recruitment fees on modern day slavery thought to be in the corridor?

Are there any examples of good/best practices in the corridor, which are thought to counteract modern day slavery? Examples of best practice with regards to private sector supporting the migrant worker community to avoid abuses via recruitment fees and promoting ethical recruitment (for examples, private sector orgs paying back migrant worker fees).

The following sections provides a synthesis of the data collated. In order to protect the identity of the companies researched, the raw data is not contained in the body of this report.

5.2 India Internal Migration

5.2.1 Current Recruitment Landscape

As outlined previously, migrant workers are frequently asked to pay recruitment fees for placement in jobs both internally and abroad. This fee-paying protocol is standard practice in the global South and is employed within the supply chain of many leading brands (UNODC, 2015). Internal migrants in India suffer a significant deal due to their lack of recognition by state authorities following interstate movements. The country has instilled many pro-poor entitlement policies but, for the most part, these services operate on a state-by-state basis, where migrants that have travelled beyond state territory will receive no benefit (South Asians for Human Rights, 2019). A recent snapshot study of the current legal framework and situation regarding legal and illegal fees in India has been performed by lawyers for the Mekong Club, and is available from the Mekong Club.

5.2.2 Case Study

This case study was sourced from the Mekong Club's guide Modern Slavery: An Introduction (The Mekong Club, n.d.)



Photo credit: The Mekong Club. Lady weaving and yarn making in India. Created on July 19, 2013. Published on Pixabay.

FORCED LABOUR – SWEAT SHOP:

“When I was 16 years old, I heard that many spinning mills in a big city in my region offered work. My family was very poor and I wanted to help, so I went there. I didn’t know which one had work, so I just chose one. The man who managed the mill said I could have a job. We negotiated a salary of US\$50 a month. He said that I had to live in the factory site. There was no contract for me to sign but for me this was a huge amount of money so I accepted and started working immediately. After working 18 hours a day for the first month, I went to the employer and asked for my pay. He smiled and laughed before saying, “I am sorry, I forgot to mention to you that it costs me US\$54 a month to keep you here and I am only paying you US\$50. So you owe me money. Until you pay it back, you cannot leave this place.” With armed security guards, barbed wire, and high walls, I couldn’t escape. For three years, I was not able to leave. I could not contact my family. The more I worked, the more debt I owed. With so much work with nothing in return, my heart was filled with hopelessness and despair. If that fire hadn’t brought the authorities, I would never have been able to leave. I lost three years of my life. Gone... stolen from me. Something I can never get back again.”

Female Indian victim exploited in India

5.2.3 Private Sector Practices

As identified in the preliminary literature review, the challenges faced by the private sector in India will most likely increase the need for migrant workers. This in turn is likely to increase the numbers workers affected by unethical recruitment and poor working conditions.

From reviewing many of the 2020 modern slavery statements of companies in the Mekong Club network, it seems that many have a reasonably thorough understanding of the potential issues within their supply chains, which could result in modern slavery through recruitment fees.

Notably, many of the companies researched share a belief in the concept of total supply chain transparency, with the hope that this practice will help to keep their workers and subcontractors safe. These companies show a commitment to disclosing their supply chains to consumers online, in annual reports on modern slavery impact. Companies in the Mekong Club network also show a similarly well-inclined and socially responsible mandate within their companies. It is important to note that practices in these companies rely proactive management of issues as they evolve, rather than the mitigating of issues from recruitment to supply chains.

These large companies comment thoroughly on the effects and prevention of physical and sexual abuse but show less understanding of forced labour through recruitment practices. There appears to be a large knowledge and/or information gap in the practice of safely recruiting migrant workers, and again, knowledge missing in regard to the migration corridors within India.

In order to delve deeper into this, seven large well-known companies were researched.

Company 1:

- A well-being ambition of every job in their supply chain enabling workers to live their most fulfilling lives possible.
- Forced and child labour are strictly prohibited at any owned, operated or partner factories.
- Require factories to provide safe workplaces that are free from discrimination, violence, and harassment, and allow workers the freedom to collectively associate and bargain.
- Country-level assessments are focused on the workplace risks that may exist in the apparel industry, including forced and bonded labour, child labour, occupational health and safety, adequate standard of living and gender equality.

Overall, the company appears to have large awareness of safety and well-being of their workers. Less information was available demonstrating recruitment processes and any information on fees or supply chains that may be associated.

Company 2:

- States that it strictly prohibits the use of any form of forced labour or the trafficking in persons across all of our company operations and in our global supply chain.
- The company's 2019 Modern day slavery progress report claims a zero-recruitment fee directive which it upholds through its partners worldwide.
- The company is a signatory to the UN's International organisation for migration – a partnership which sees the specialised training of global partners in receiving countries, and recruitment agencies in sending countries.

- The company has conducted a high-level risk assessment of factories enrolled in the ILO better work program – the results of which are yet to be published.
- Their approach to payment of fair compensation in global supply chains is built on three pillars and aligned with basic human rights concepts: Respect, Remedy, and Promote.
Respect: *Do not infringe on the rights of workers, their employers and governments to set fair compensation.*
- Remedy: *Conduct due diligence and act when business partners are not compliant with the law or our Workplace Standards.* Promote: *Facilitate ways and actions that influence wage progression and fair compensation.*

Company 3:

- Release an annual modern slavery report outlining the company's intentions to avoid forced labour and human trafficking.
- Their 2019/20 statement outlines core requirements for suppliers and business partners to responsibly meet the core conventions of the International Labour Organisation (ILO).
- The company has limited information pertaining to knowledge of supply chain but provides significant reports on the due diligence and ethical trading requirements in the mitigation and management of risk within the corporation.

Company 4:

- All business partners and subcontractors are required to adhere to the corporation's Vendor of Code of Conduct which seeks to uphold the sustainable development goals of the United Nations, working against forced labour and trafficking.
- Contract requirements of factories in the supply chain include the terms that workers shall pay no fees and migrant workers passports shall not be retained.
- To combat the high risk of human trafficking, the corporation seeks to train 25,000 more workers in identifying the signs of human trafficking by 2022 and continue training 100% of relevant home office staff on the signs of human trafficking.

Company 5:

- Believes that total supply chain transparency will result in greater reduction of human trafficking risk.
- Are committed to disclosing their supply chain to consumers online. In the Company's 2020
- Publishes a 'Modern Day Slavery' statement each year.

Company 6:

- Publishes a 'Modern Day Slavery' statement each year.
- Appears to have a high awareness of the proactive management required to mitigate slavery and the effects in their supply chain.

Company 7:

- Appears to have a thorough understanding of the labour in their supply chains, its nature and its origins.
- Has a global social responsibility team which regularly conducts audits of factories and supply sites around the world – ensuring the brand meets its prioritised ethical trading and responsible sourcing requirements.

While the information provided by these companies on general modern slavery mitigation is thorough and promising, there is little specific reference to the safe recruitment of workers by recruitment agents.

5.3 Corridors into Taiwan**5.3.1 Current Recruitment Landscape**

Unethical recruitment fees and practices, despite increased awareness, remains a problem in many countries and brands in Asia. Migrants that travel from Vietnam, Philippines, Thailand, and Indonesia to work in Taiwan suffer from a lack of protection, lack of bargaining power, and corrupt broker agencies. Unethical recruitment in Taiwan allows for the excessive charging of recruitment fees, permits further exploitation by corrupt brokerage systems, and leaves migrant workers vulnerable to human trafficking. A recent snapshot study of the current legal framework and situation regarding legal and illegal fees for workers migrating from Indonesia to Taiwan has been performed by lawyers for the Mekong Club, and is available from the Mekong Club.

5.3.2 Private Sector Practices

Several of the companies researched perform work which involves migrant workers from Vietnam, Philippines, Thailand, Indonesia-Taiwan corridor. One prominent multinational, in 2018, administered a self-assessment tool to gather migrant labour related data on the regional and globally tiers. This provided the company with information by suppliers on their recruitment practices of migrant workers. This information related to data concerning labour brokers in the countries sending workers abroad, to the type of expenses that the migrant workers incur from their jobs and from using broker agencies. The purpose of this tool is to implement responsible and transparent recruitment practices with supplier compliance. One of the main focus areas of 2020 was on migration into Taiwan with an overall goal of ensuring that no workers' pay for their jobs.

Several other companies recognise the importance of respecting human and workers' rights through all levels of the supply chain. On its website, one company has explained the California Transparency in Supply Chains Act of 2010 that requires large manufacturers and retailers that do business in California to make public their actions; this is intended to identify and eradicate human trafficking and forced labour in supply chains. The company has committed to this law and uses ethical labour practice to uphold their promise.

Alignment with the United Nations Sustainable Development Goals as a basis for achieving fairness, safety, and sustainability in supply chains is also recognised. Some large well-known member companies have shown dedication to incorporating these internationally recognised goals and standards into their own corporate framework. Many of these companies recognise that collaboration is vital to ensure effective best practise, opportunities for improvement, and consistent accountability. This happens through sharing ideas, partnering, and third-party auditing. The need for internal collaboration to promote unity and fairness within the company is also recognised.

Some of the companies researched have recognised laws regarding forced labour and transparency in business and have stated publicly their commitment to such laws. This demonstrates a strong understanding of how recruitment practices can easily lead to modern-day forms of slavery and forced labour. However, information regarding the specific migration corridor into Taiwan remains uncertain. Although several of these organisations have made it clear that they recognise the links between recruitment and slavery, there is no clear indication of what many of these organisations intend to do with that information going forward.

5.4 Myanmar Workers Migrating to Thailand

5.4.1 Current Recruitment Landscape

Recruitment fees and practises are often illegally and unethically adopted throughout supply chains in many Asian countries and leading brands. Labour migration from Myanmar to Thailand is driven significantly by cross-border trade and investment, differences in economic development, and ethnic conflict in Myanmar. The agencies that these migrant workers use to find jobs abroad often end in the charging of excessive recruitment fees and forced labour. Although many steps have been taken to increase understanding of ethical recruitment practices, and the risks of and how to prevent forced labour and debt bondage, the migrant works going from Myanmar to Thailand remain vulnerable to exploitation.

5.4.2 Case Study

Although not from Myanmar, this Cambodian case study was available from the guide Modern Slavery: An Introduction. (The Mekong Club, n.d.)



Photo credit: The Mekong Club. Old fishing boat floating down a river. Created on February 25, 2011. Published on Pixabay.

FORCED LABOUR - FISHING BOAT CASE:

"I was only 16 years old when I was forced onto that fishing boat. I was told that the job was easy and that I'd be paid a good wage. But instead, I ended up working 18 hours a day, every day. For food, we ate nothing but fish and rice twice a day. If I got sick or injured, I worked. I had seen others who had fallen ill and the captain simply threw them over the side of the boat. I still remember their pleas for help as the ocean carried them away to their deaths. I was beaten if I didn't work hard enough, or even if I did. Days often went by with only a few hours of sleep. I was so tired sometimes I felt I'd go crazy. To keep me working, they would force me to take powerful drugs that destroyed my body. When I finally returned to port after four years at sea, I was not given any pay. The captain told me that I was an illegal migrant so he didn't have to give me anything. Having no way to communicate with my family while I was away, my mother and father assumed I was dead. Since they moved away, I don't know where to find them."

Male Cambodian victim exploited in Thailand

5.4.3 Private Sector Practices

Many of the multinational companies researched have production involving migrant workers moving from Myanmar to Thailand, many of which have stated core purposes of providing sustainable products and maintaining a safe environment for workers. Seemingly all are focused on keeping ethical supply chains where modern forms of slavery are not present and do not pose a threat. Upholding human and worker rights through all levels of supply chains is vital to the core priorities at many of these companies. This is achieved by providing complete transparency in organisation policies and core values as well as public disclosure of supply chain data. This information is presented via annual reports.

Other common themes threaded throughout the corporate goals of many of these partnering organisations includes alignment with the United Nations Sustainable Development Goals, a focus on empowering women in the workplace, auditing and due diligence, and a commitment to continue partnering with companies and organisations that uphold the same values and standards as these partnering organisations do. The companies researched have shown a strong understanding of how recruitment practices can lead to slavery and how that translates into the unique contexts of each of their businesses.

While many of these companies provide information regarding modern-day slavery by presenting their official statements and how they aim to best mitigate it, little information is provided on how they each aim to enforce ethical recruitment fees and practices.

There also seems to be a lack of understanding concerning the effects of forced labour on the wellbeing and safety of migrant workers. No information is publicly disclosed by the companies concerning methods of recruitment or possible best practices to counteract the emergence of modern-day slavery in supply chains. Furthermore, information regarding what each of these companies have done in the Myanmar-Thailand corridor specifically and what challenges each company faces in regard to recruitment in the private sector, is lacking.

Section 6: Survey Findings

6.1 Survey Implementation

The survey was put out to companies in the Mekong Club network. The questions asked were:

1. What is the nature of your business/supply chain operations in [a. Thailand, b. Taiwan, c. India]?
2. If known, how are workers from [a. Myanmar, b. SE Asia, c. India] for your own operations in [a. Thailand, b. Taiwan, c. India] typically recruited?
3. If known, how are workers from [a. Myanmar, b. SE Asia, c. India] for your supply chain partners' operations in [a. Thailand, b. Taiwan, c. India] typically recruited?
4. What are the strengths of these recruitment practices in [a. Thailand, b. Taiwan, c. India], that you have observed?
5. Are there any weaknesses to these recruitment practices? Or adverse effects?
6. What knowledge do you have of recruitment fee practices in [a. Thailand, b. Taiwan, c. India]?
7. Do you have any company policies in place related to the payment of recruitment fees?
8. Have you identified any case studies or recruitment fees being sued to exploit or mislead workers in [a. Thailand, b. Taiwan, c. India]?
9. Any other comments?

6.2 Response

When the survey was finally closed off, the total responses comprised:

- Four responses for the Thailand survey
- Four for the Taiwan survey
- Three for the India survey.

The number of survey responses was extremely light. This was identified as a concern as the subsequent steps in the methodology were designed to verify and support the survey findings, and in this way were reliant on the survey as a key source of data.

The respondents were found to operate in a range of sectors; mainly apparel, textiles, and hardgoods, as well as kitchenware, food, and toys. These sectors were represented in each of the three corridors surveyed. The number of direct employees varied widely, from 100 to 40,000 employees. Overall, the number of employees per stakeholder (i.e., member-company) was highest in India and lowest in Taiwan.

Between respondents, there was a mix of business production practices, with some businesses only using supply chain partners', some with only own operations, and some with both. These differences did not lead to differences in the results for other questions.

6.3 General Findings

Workers for the stakeholders' own operations across each county were primarily hired directly, and only hired via agencies in cases of labour shortages, or for specific industries or roles (such as security and cleaning).

Each reported that the strengths in hiring directly was a higher degree of control over their labour practices, which mitigated the risk of recruitment fees, forced labour, and other illegal labour practices.

For those that recruit via agencies, they reported that the respective national governments have increasingly monitored recruitment agencies, which increases reliability.

Other strengths identified for hiring methods were straightforward; hiring directly increases the ability of stakeholders to recruit based on the specific competencies desired, whereas agency recruitment was perceived as more convenient.

The weaknesses of recruitment practices and types of recruitment fee practices reported by stakeholders in different countries were more specific by country/migrant corridor, as detailed below.

6.3.1 India Internal Corridor

It was noted by one respondent that recruitment practices are different between North and South India. In South India, workers are more commonly hired directly, while in North India some are hired through agencies.

One strength particular to India was that workers are often hired from Government authorised training centres, which increased Government oversight over recruitment and mitigated the possibility of exploitation.

There are significant differences between the benefits, bonuses, and working conditions of workers hired directly versus workers hired through agencies, which is a key weakness of current recruitment practices.

The respondents from India were not aware of particular recruitment fee practices in India, suggesting that policies might be in place, more easily implemented where there is a predominance of domestic workers over migrant workers. Additionally, employers and factories typically bear the costs levied by agencies.

6.3.2 Corridors into Taiwan

In Taiwan, the local economy is increasingly reliant on a foreign workforce for so-called 'unskilled' labour, as the local population is no longer willing to undertake this kind of work.

The need for foreign workers is growing due to a declining birth-rate and growing population. In spite of – or perhaps because of – the importance of imported labour for the Taiwanese economy, migrant workers are often left in economically and socially precarious positions. The Taiwanese government is often unwilling or unable to enforce labour laws without significant disruption to the economy. Many migrant workers will earn lower wages for the same role as local employees, and without receiving certain allowances for overtime or overnight work.

One answer is particularly illuminating: “Taiwan’s brokerage system has left migrant workers socially and economically precarious. Without migrant workers doing jobs characterized as dirty or dangerous, thousands of factories will stand idle, fishing boats will be left ashore, and families might have difficulty providing the care that their elderly members need. With Taiwan’s birth rate declining and population aging, migrant workers’ participation in the local labour market will only become more indispensable. The adverse effects of these recruitment practices are the risks of human trafficking for migrant workers.”

One particular response details the issues that migrant workers face in Taiwan:

“The discrepancy in how foreign professional and blue-collar workers are recruited to the country is appalling. The government has been proactive in attracting those who fall in the former category, which includes technical workers, business executives, and independent artists. Only the latter, which are essential workers like caregivers, domestic helpers, and fishermen, are assigned private brokers. It is standard for employers to cover their recruitment costs as part of the company’s human-resources expenditures. However, the recruitment of low-skilled workers, who are the ones least able to bear the cost of advanced fees due to their low wages, are expected to pay the cost of their recruitment. The recruitment fee varies between four major counties (Indonesia, Philippines, Thailand and Vietnam) where migrant workers come from. A migrant worker in Taiwan might take out a personal debt ranging from US\$1,500-6,000 before they have even set foot in the nation. The loan would cover the air ticket, local transportation, health screening, passport and visa, training and testing, and the local recruitment agency’s service fees. The worker typically spends almost the first year of employment servicing the debt.”

6.3.3 Myanmar to Thailand Corridor

One specific weakness reported for recruitment practices for Burmese workers in Thailand was the challenge of monitoring the risks of the COVID-19 pandemic, as many workers lived alone near facilities. The weakness of direct recruitment was that workers were often difficult to find, which was not the case for recruiting via agency. However, agency recruitment increased the costs for both employers and workers, and the experience for workers was worse, with one stakeholder reporting that workers abandoned their roles.

In Thailand, the fishing industry (and in particular the shrimp fishing industry) is allegedly notorious for human trafficking and modern-day slavery. In Myanmar, foreign workers are most often at managerial level, which means that recruitment fee and modern-day slavery practices are minimal.

For migrant workers in Thailand coming from Myanmar, workers are often made to pay sub-agencies within Myanmar before travelling to Thailand, at which point the employer pays the costs of the agencies.

In terms of policy regarding recruitment fees, there was a split between stakeholder respondents. Around half said their company does have policies in place related to payment of recruitment fees, while the rest simply said that they follow relevant local, national, and international laws and regulations. Of those who specified, the most common policy was that recruitment agencies may not deduct directly from wages, and any recruitment fees must be borne by the employer.

Section 7: Interim Conclusions – To Assist Phase 2

Section 2.7 (Research Limitations) summarises the limitations of the research. It is important to note that the survey response was low as the engagement of responders was limited. This was thought to be because:

- There are legal challenges related to the sharing of information which causes concern for private sector business, and
- many were focused on other priorities related to COVID circumstances.

Additionally, Section 3.5 (Research Phasing) outlines that the methodology is still in process; Phase 1 is complete and Phase 2 yet to commence.

The above being the case, this section details **interim conclusions** only, with the purpose of informing the next phase of the research.

As such, the interim conclusions are not drawn in order to answer the research questions; it is too premature to do this without completing Phase 2 of the methodology. Instead, the interim conclusions relate to the availability of literature and data and gaps.

The table below gives an indication of depth of findings, and the location of the information in this report. It is developed to assist in the identification of gaps in the literature and data and in the development of the interviews to follow in Phase 2.

Mapping of data in response to Research Questions			
Research Sub-questions	India Internal Migration	Corridors into Taiwan	Myanmar-Thailand Corridor
PD 1: Recruitment Practices (fees)			
1. What are the recruitment needs of, and the challenges faced by, private sector businesses in the countries/corridors?	Section 5.2.3 (low) Section 6.2 (low) Section 6.3 (low)	Section 6.2 (low) Section 6.3 (low) Section 6.3.2 (medium)	Section 4.5 (Low) Section 4.7 (medium) Section 5.4.3 (low) Section 6.2 (low) Section 6.3 (low)
2. What is the current 'recruitment landscape' in each of the countries/corridors of migration (practices, players)? i.e., <ul style="list-style-type: none"> o Background information on the typical conditions of recruitment in each location o Key players (agencies, brokers etc.) o Common themes o Statistics on methods of recruitment used o Extent of knowledge businesses have of supply chains o Information on common or known illegal recruitment fee practices in the location 	Section 4.2 (low) Section 4.4 (medium) Section 5.2.1 (low) Section 5.2.3 (medium) Section 6.3.1 (medium)	Section 4.2 (low) Section 4.8 (medium) Section 5.3.1 (low) Section 5.3.2 (low) Section 6.3.2 (medium)	Section 4.2 (low) Section 4.7 (medium) Section 5.4.1 (low) Section 6.3.3 (medium)
PD2: Impact on Slavery			
3. What outcomes are the current recruitment practices in the corridors having on modern day slavery? -Anecdotal/case-study evidence of exploitation occurring via recruitment fee payments and related debt	Section 5.2.2 (medium) Section 6.3 (low)	Section 5.3.1 (low) Section 6.3 (low)	Section 5.4.2 (medium) Section 6.3 (low)
4. What is the impact of recruitment fees on modern day slavery? (e.g., key driver through debt bondage)	Section 1 (medium) Section 4.1 (low) Section 4.2 (medium) Section 4.10 (medium) Section 6.3.2 (medium)		
PD3: Desired Situation			
5. What is 'best-practice' in relation to recruitment fees?	Section 4.11 (high)		
6. What are examples of best practices, and in what way do these in turn counteract modern day slavery? Examples of best practice with regards to private sector supporting the migrant worker community to avoid abuses via recruitment fees and promoting ethical recruitment (for examples, private sector orgs paying back migrant worker fees)	Section 4.11 (low) Section 5.2.3 (low) Section 5.3.2 (low) Section 5.4.3 (Low)		
7. What policies are in place to support best practice?	Section 4.11 (medium) Section 5.2.3 (medium) Section 5.3.2 (medium) Section 6.3.1 (low) Section 6.3.3 (low)		

Key interim conclusions relating to the availability of literature and data and gaps are:

1. The depth of data collated from desk-top research and the preliminary literature review is relatively low compared with the data received from the survey issued to companies in the Mekong Club network. This is however, offset by the number of companies who responded.
2. The companies who responded to the survey typically had policies practices in place to mitigate exploitation of migrant workers. These companies, as part of the Mekong Club network, are typically informed companies. Surveying companies outside of the Mekong Club network would likely yield different results.
3. There is a lack of literature on internal migration and in struggles faced by the private sector in relation to recruitment (the exception being India)
4. There is little information available on how companies operating in Thailand, employing migrant workers from Myanmar:
 - enforce ethical recruitment fees and practices.
 - publicly disclose information relating to best practices leveraged to counteract the emergence of modern-day slavery in supply chains.
5. There is little published on how companies operating in India specifically ensure the safety of migrant workers who find work through recruitment agents.
6. There is more literature available on Taiwan migrant recruitment fees and practises than any other migrant corridor.
7. A considerable amount of literature is available relating to the links between recruitment fees and modern-day slavery.
8. Much information is available on best practice for recruitment fees and practices. Most articles and report suggest the same or similar ways of moving forward in an ethical manner.
9. While many companies operating in the migration corridor into Taiwan appear to recognise the link between recruitment fees and slavery, there is little data relating to in what way the companies will leverage the information in the future.

This research methodology clearly presents an opportunity to contribute to the body of knowledge and research in this topic.

Section 8: Recommendations and Next Steps

This paper concludes Phase 1 of the research methodology. Three sets of recommendations have been developed, first for the Mekong Club; secondly for the Council for International Development; and lastly for others who may wish to replicate the study.

8.1 Recommendations for the Mekong Club

The recommendations and next steps for the Mekong Club are:

- To complete Phase 2 of research, as outlined within this document.
- The survey data received is critical. As the number of responses to the survey was so few, the follow up interviews will be critical and should not only be implemented with survey responders, but also with other companies, within the Mekong Club network, who did not respond.
- It would be useful to link the final findings of the research (i.e., once Phase 2 is complete) with the recent legal snapshot studies referred to in Section 5.
- As gleaned from the preliminary literature review, there is a considerable amount of literature available on the links between recruitment fees and modern-day slavery, and much information is published on best practice for recruitment fees and practices it would be good to explore this is a separate paper with a more in-depth literature review
- The results of the in-depth literature review referred to above could be developed into guidelines and be published for the Mekong Club network.

8.2 Recommendations for the Council for International Development (CID)

The recommendation/next step for the Council for International Development is to survey Private Sector CID members and ascertain their breadth and depth of knowledge relating to the recruitment activities of their supply chains and the linkages to modern slavery. This knowledge can be leveraged to help improve practices and ensure clean supply chains.

8.3 Recommendations for the Replication of Study

The recommendations and next steps for future replication of the study are:

- If budget permits use a focused research team
- Include a focus group for participants
- Try and implement face-to-face interviews (COVID restrictions and distance permitting)
- Ensure survey responders are a mix of informed participants and less-informed participants (refer to point 2 in Section 7).

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Appendix 1: Research Tools

Tool ‘a’: Preliminary Literature Review: The study’s Preliminary Literature Review - to be implemented once – across all three parent disciplines.

Tool ‘b’: Desk-Top Research: The desk-top research-to be implemented for the three corridors:

- India internal migration
- Corridors into Taiwan
- Myanmar workers going to Thailand.

For each of the corridors the desk-top research questions were:

PD 1: Recruitment Practices (fees)
<ul style="list-style-type: none"> • What is the current ‘recruitment landscape’ in the corridors of migration (practices, players)? i.e., <ul style="list-style-type: none"> ○ Background information on the typical conditions of recruitment in each location ○ Key players (agencies, brokers etc.) ○ Common themes ○ Statistics on methods of recruitment used ○ Extent of knowledge businesses have of supply chains ○ Information on common or known illegal recruitment fee practices in the location
PD2: Impact on Slavery
<ul style="list-style-type: none"> • What outcomes are the current recruitment practices in the corridor having on modern day slavery? <ul style="list-style-type: none"> -Anecdotal/case-study evidence of exploitation occurring via recruitment fee payments and related debt • What is the impact of recruitment fees on modern day slavery thought to be in the corridor?
PD3: Desired Situation
<ul style="list-style-type: none"> • Are there any examples of good/best practices in the corridor, which are thought to counteract modern day slavery? Examples of best practice with regards to private sector supporting the migrant worker community to avoid abuses via recruitment fees and promoting ethical recruitment (for examples, private sector orgs paying back migrant worker fees)

Tool ‘c’: High Level Survey: High Level Survey to companies in the Mekong Club network (ensuring anonymity) to be implemented once and designed to cover the specific corridors, i.e.:

- India internal migration
- Corridors into Taiwan
- Myanmar workers going to Thailand.

As such, there are three different categories of stakeholders, i.e.

1. Stakeholder Group 1: companies (of the Mekong Club network) who operate in India
2. Stakeholder Group 2: companies (of the Mekong Club network) who operate in Taiwan
3. Stakeholder Group 3: companies (of the Mekong Club network) who operate in Thailand.

<p>1. High Level Survey to Stakeholder Group 1 (companies who operate in India) – focusing on India internal migration</p>
<p>1) What is the nature of your business and/or supply chain operations in India? (i.e., types of products sourced, size of operation, approximate number of workers)</p> <p>2) If known, how are workers (within India) for your own operations in India typically recruited? (e.g., directly, via agencies, through subcontractors)</p> <p>3) If known, how are workers (within India) for your supply chain partners' operations in India typically recruited? (e.g., directly, via agencies, through subcontractors)</p> <p>4) What are the strengths of recruitment practices in India, that you have observed?</p> <p>5) Are there any weaknesses to these recruitment practices? Or adverse effects?</p> <p>6) What knowledge do you have of recruitment fee practices in India?</p> <p>7) Do you have any company policies in place related to the payment of recruitment fees?</p> <p>8) Have you identified any case studies of recruitment fees being used to exploit or mislead workers in India? (Any examples will be kept confidential)</p> <p>9) Any other comments.</p>
<p>2. High Level Survey to Stakeholder Group 2 (companies who operate in Taiwan) – focusing on corridors into Taiwan</p>
<p>1) What is the nature of your business and/or supply chain operations in Taiwan? (i.e., types of products sourced, size of operation, approximate number of workers)</p> <p>2) If known, how are workers for your own operations in Taiwan typically recruited (e.g., directly, via agencies, through subcontractors) and from which countries?</p> <p>3) If known, how are workers for your supply chain partners' operations in Taiwan typically recruited, and from which countries? (e.g., directly, via agencies, through subcontractors)</p> <p>4) What are the strengths of recruitment practices in Taiwan, that you have observed?</p> <p>5) Are there any weaknesses to these recruitment practices? Or adverse effects?</p> <p>6) What knowledge do you have of recruitment fee practices in Taiwan, or in the countries your workforces come from?</p> <p>7) Do you have any company policies in place related to the payment of recruitment fees?</p> <p>8) Have you identified any case studies of recruitment fees being used to exploit or mislead workers in Taiwan? (Any examples will be kept confidential)</p> <p>9) Any other comments.</p>

3. High Level Survey to Stakeholder Group 3 (companies who operate in Thailand) – focusing on Myanmar workers going to Thailand

- 1) What is the nature of your business and/or supply chain operations in Thailand? (i.e., types of products sourced, size of operation, approximate number of workers)
- 2) If known, how your workers from Myanmar typically recruited within your own operations in Thailand? (e.g., directly, via agencies, through subcontractors)
- 3) If known, how are workers from Myanmar typically recruited within your supply chain partners' operations in Thailand? (e.g., directly, via agencies, through subcontractors)
- 4) What are the strengths of recruitment practices of Myanmar workers in Thailand, that you have observed?
- 5) Are there any weaknesses to these recruitment practices? Or adverse effects?
- 6) What knowledge do you have of recruitment fee practices in Thailand, or in Myanmar?
- 7) Do you have any company policies in place related to the payment of recruitment fees?
- 8) Have you identified any case studies of recruitment fees being used to exploit or mislead Myanmar workers in Thailand? (Any examples will be kept confidential)
- 9) Any other comments.

Tool 'd': Follow up interviews

Stakeholder Group 4 to be determined once responses from Tool 'c' are received, and the Tool 'd' developed.

Tool 'e': Interviews with others 'in the know'

Stakeholder Group 5 are others 'in the know' – practitioners, researchers, businesspeople, and international aid workers who have information relating to the topic. The tool comprises questions to ask others 'in the know' through unstructured interviews.

1. What outcomes are current recruitment practices in the corridors having on modern day slavery? - Anecdotal/case-study evidence of exploitation occurring via recruitment fee payments and related debt
2. What is the impact of recruitment fees on modern day slavery? (e.g., key driver through debt bondage)
3. What is 'best-practice' in relation to recruitment fees?
4. What are examples of best practices, and in what way do these in turn counteract modern day slavery? Examples of best practice with regards to private sector supporting the migrant worker community to avoid abuses via recruitment fees and promoting ethical recruitment (for examples, private sector orgs paying back migrant worker fees)
5. What policies should be in place to support best practice?

Tool 'f': IOM/ILO Interviews

Stakeholder Group 6: IOM and ILO contacts.

The questions in Tool 'f' are designed to seek further information from IOM/ILO contacts, through unstructured interviews.

<p>1. What is the current 'recruitment landscape' in each of the migration corridors of:</p> <ul style="list-style-type: none">○ India internal migration○ Corridors into Taiwan○ Myanmar workers going to Thailand. <p>For example:</p> <ul style="list-style-type: none">○ Background information on the typical conditions of recruitment in each location○ Key players (agencies, brokers etc.)○ Common themes○ Statistics on methods of recruitment used○ Information on common or known illegal recruitment fee practices in the location
<p>2. What outcomes are the current recruitment practices in the corridors having on modern day slavery? - Anecdotal/case-study evidence of exploitation occurring via recruitment fee payments and related debt</p>
<p>3. What is the impact of recruitment fees on modern day slavery? (e.g., key driver through debt bondage)</p>
<p>4. What is 'best-practice' in relation to recruitment fees?</p>
<p>5. What are examples of best practices, and in what way do these in turn counteract modern day slavery? Examples of best practice with regards to private sector supporting the migrant worker community to avoid abuses via recruitment fees and promoting ethical recruitment (for examples, private sector orgs paying back migrant worker fees)</p>
<p>6. What policies should be in place to support best practice?</p>