

# JOINT COMMITTEE ON HUMAN RIGHTS



# **PRESS NOTICE**

# **Publication of Report**

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"Stronger legislation, stronger enforcement and clearer routes to justice needed to protect workers' human rights"

Legislation and enforcement need to be improved to ensure adequate protection of workers' human rights, a report published by the Joint Committee on Human Rights has found. The report, <u>Human Rights and Business 2017: Promoting responsibility and ensuring accountability proposes providing more accessible and effective mechanisms to improve access to justice in cases where human rights may have been breached.</u>

## **Stronger Legislation**

- The <u>National Action Plan</u> is the UK's statement of intent on human rights it
  must be more ambitious and set specific targets by which to measure
  progress
- The Government should introduce legislation to impose a duty on all companies to prevent human rights abuses, as well as a criminal offence of 'failure to prevent human rights abuses' similar to offences created for bribery in the Bribery Act 2010.
- The Government should introduce legislation to enable prosecution of a parent company where human rights abuses are found further down the supply chain
- The Government's proposed 'Great Repeal Bill' must replicate the human rights protections enshrined in EU law
- The Government should support the proposals contained within the <u>Modern Slavery (Transparency in Supply Chains) Bill</u> (requiring commercial

- businesses and public bodies to include a statement on slavery and human trafficking in their annual report and accounts).
- Human rights must be a key component of future trade deals

# **Stronger Enforcement**

- The Government should extend protections provided by the <u>Gangmasters & Labour Abuse Authority</u> to other industries, such as construction
- Government procurement must lead by example and exclude companies who do not undertake appropriate due diligence to ensure human rights standards are met
- The Government should give local authorities the powers to close down business premises found to exploit workers (e.g. where there has been found to be underpayment of wages, lack of employment contracts or where there is a significant disregard of health and safety regulations)

#### **Clearer Routes to Justice**

- The <u>UK National Contact Point</u> (NCP) must be given the resources and government support to be an effective route to justice
- Tribunal fees must be reduced to remove the disincentive for individuals to bring legitimate claims for discrimination and other abuses.

On publishing the report, Chair of JCHR Rt Hon Harriet Harman MP commented:

"No one wants to be wearing clothes made by child labour, or slave labour. UK companies need to have high standards abroad as well as here at home and they must ensure that there are not human rights abuses in their supply chain.

"More can be done by the UK Government to ensure that human rights are respected by UK companies in their operations outside the UK. The Government must toughen up the law with a new legal duty on businesses to respect human rights when they are operating abroad. Victims of human rights abuses must have access to the courts. And the Government should ensure that when it buys on our behalf it doesn't do so from suppliers who are abusing human rights.

"Over the course of this inquiry we were pleased to hear of the growing importance of human rights issues to businesses, consumers and government. Indeed, developments such as the Gangmasters Licensing Authority and Modern Slavery Act have caused real improvements. Yet, all too often, cases were brought to our attention where people were making the products we use every day in conditions that are simply not acceptable. In the UK, this can mean pay below the minimum wage and dangerous working conditions; in other countries it can mean virtual slavery and long-term damage to the natural environment.

"The UK must build on work already done and create human rights protections that demand high standards of businesses. Businesses must be required by law to demonstrate how they are ensuring human rights are respected in their operations – if they do not then public bodies must exclude them from procurement opportunities.

"Access to justice must be improved and companies must feel the effects of their actions. We would like to see laws enacted to allow victims to bring claims against companies where they have failed to prevent human rights harms from occurring.

"Article 50 has been triggered. We are removing ourselves from the oversight of EU law and looking to develop new trading opportunities around the world. Human rights protections must not be lost in the rush. The 'Repeal Bill' must replicate human rights currently protected by EU law. Human rights protections must be a central pillar of future trade deals. If the conditions under which the things we buy are considered unacceptable in the UK then we must not simply export the problem to another country.

"We have to make sure that when human rights abuses occur they are uncovered. Routes to access justice must be understood and achievable for those affected. The UK National Contact Point must become the advocate of human rights it is intended to be and the Government must give them the support they need to do this. The Government must further enable victims to seek justice. Excessive charges for access to a tribunal is an often insurmountable barrier. We are talking about exploited workers entering a complex system for the first time. They need support, not charges that they cannot afford to pay."

# Case study: Textiles production in Turkey and the UK

A key finding in the report is the importance and difficulty in enforcing best practice throughout supply chains. Major high street retailers will regularly outsource the production of their fashion lines to factories, who may then further subcontract production elsewhere.

Over the course of the inquiry, the Committee spoke to major high street retailers and visited factories in Turkey and Leicester.

The emergence of "fast fashion", where styles seen on the catwalk are available cheaply in shops in a matter of weeks, has shifted production back to the UK where suppliers are able to offer quicker turnaround times than competitors thousands of miles away. Research by the University of Leicester has indicated that this new subindustry is characterised by frequent violations of work and employment regulations.

"The majority of garment workers are paid way below the National Minimum Wage, do not have employment contracts, and are subject to intense and arbitrary work practices."

Centre for Sustainable Work and Employment Futures, University of Leicester

"What the employers do is that they make her sign a paper that she will work either 16 or 20 hours a week at minimum wage. Then they will give her a draft copy of wage slip which will again show that she works for example 20 hours and is paid £7.20 an hour ... She worked on average 60 hours a week but only got paid £3 sometimes £3.50 an hour. In that time she also suffered severe back pain because of the number of hours she worked. She was always paid cash."

Written evidence received by JCHR from Ms Sarita Shah

In their evidence to the Committee, major retailers including ASOS, M&S and NEXT placed human rights issues high up their agenda, and noted the increased

importance of ethical production to consumers. In many instances, sub-contracting has been explicitly prohibited in contracts and retailers have taken remedial action to improve conditions. However, supply chain dynamics and the uneven distribution of costs and benefits between retailers and manufacturers cannot be discounted as a major factor. According to local manufacturers in the UK, buyers did not understand the real costs of production and often compared costs to those available overseas. A skewed playing field had been created whereby profit margins for suppliers were so small they left no room for improved wages or working conditions.

#### Harriet Harman commented:

"When high street retailers spoke to the Committee they told us that maintaining human rights in their supply chain was high up on their agenda, and it is becoming more important to consumers as well. However, serious concerns remain about the lack of speed and ineffectiveness of the action that some companies take when problems emerge. We must guard against any negative impact of the demand for quick, cheap fashion. The buck has to stop with businesses: they must demand that their suppliers pay good wages and have safe working conditions."

#### **FURTHER INFORMATION:**

## **Committee Membership is as follows:**

Harriet Harman MP (Chair) (Labour)
Fiona Bruce MP (Conservative)
Karen Buck MP (Labour)
Jeremy Lefroy MP (Conservative)
Mark Pritchard MP (Conservative)
Amanda Solloway MP (Conservative)

Baroness Hamwee (Liberal Democrat)
Baroness Lawrence of Clarendon (Labour)
Baroness O'Cathain (Conservative)
Baroness Prosser (Labour)
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