

10<sup>th</sup> October 2019

The Food Network for Ethical Trade (FNET)

# Worker Representation Face to Face Meeting Minutes

# Agenda

Provisional timing	Item
10.00-10.10	Welcome and warm up
10.10-10.20	Update on last meeting's outcomes
10.20-11.00	Measuring the effectiveness of worker representation
11.00-11.40	ETI Update and Q&A
11.40-11.50	BREAK
11.50-12.50	Best practice in UK sites - discussion
12.50-13.20	LUNCH
13.20-13.50	Supply chain scenarios - discussion
13.50-14.15	Influencing organizational culture - discussion
14.15-14.30	Next steps & AOB
14.30	Close

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# Attendees

- Aisha Aswani – Co-op (by phone)
- Andy York – Tulip
- Andy Hickman – Tesco
- Bev Bishton – Avara Foods
- Clare Clifton – Worldwise
- Louise Herring – HCL
- Fiona McKerrow – The FPC
- Ian Burgess - Bakkavor
- Leo Fishman – LDH
- Luke Jones – Waitrose
- Margaret Lishmund – Winterbotham Darby
- Steph Velez – Sainsbury's
- Danielle Smith – Oxfam (by phone)
- Beverley Hall – ETI
- Nick Knightly – ETI
- David Jeffries – New England Seafood (observer)

# Our Objectives

**To improve the effectiveness of workforce representation in our supply chains through improved transparency of challenges faced and an increased understanding of best practice**

## Meeting objectives

- Reminder of last meeting's outcomes
- Discussion on how to measure effective worker representation
- Update from the ETI
- Supply chain scenarios
- Discussion on influencing organisational culture
- Agree next steps and actions

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# What are our challenges in this area?

1. Establishing worker representation on sites
2. Making worker representation effective and inclusive
3. Measuring effectiveness of worker representation
4. Linking worker representation into broader worker communication activities, including grievances
5. Tracking worker representation in supply chains
6. Supporting suppliers to make worker representation effective
7. Measuring effectiveness of worker representation in supply chains.

# Areas of interest

## UK business needs:

1. Share good practice/ ideas
2. What businesses do this well?
3. Understand how retailers' will measure our business?
4. How can retailers measure our suppliers (their suppliers)?
5. How can you support suppliers as a retailer?

## Global supply chains

1. How do we protect workers that do share intelligence?
2. Methods for changing culture/ root causes – that work
3. How to move from blame and finger pointing business model/ culture to a means of engagement and a more sustainable business
4. Understand how worker representation can positively affect other human rights
5. Data to measure
6. Scalable solutions.



# Worker representation vs communication



## Who can Employees be represented by?

Union Representative	Non-Union Representative	Union & Non-Union Representative
<ul style="list-style-type: none"><li>• Trade Union Act 2016</li><li>• Recognise Trade Union</li><li>• Right to Collective Bargaining</li><li>• Individual representation</li></ul>	<ul style="list-style-type: none"><li>• More than 50% of the representatives in the UK</li><li>• Focused on consultation</li></ul>	<ul style="list-style-type: none"><li>• Mix of the Union and Non Union</li><li>• Unions have legal rights – must be respected</li><li>• All workers should be represented</li></ul>

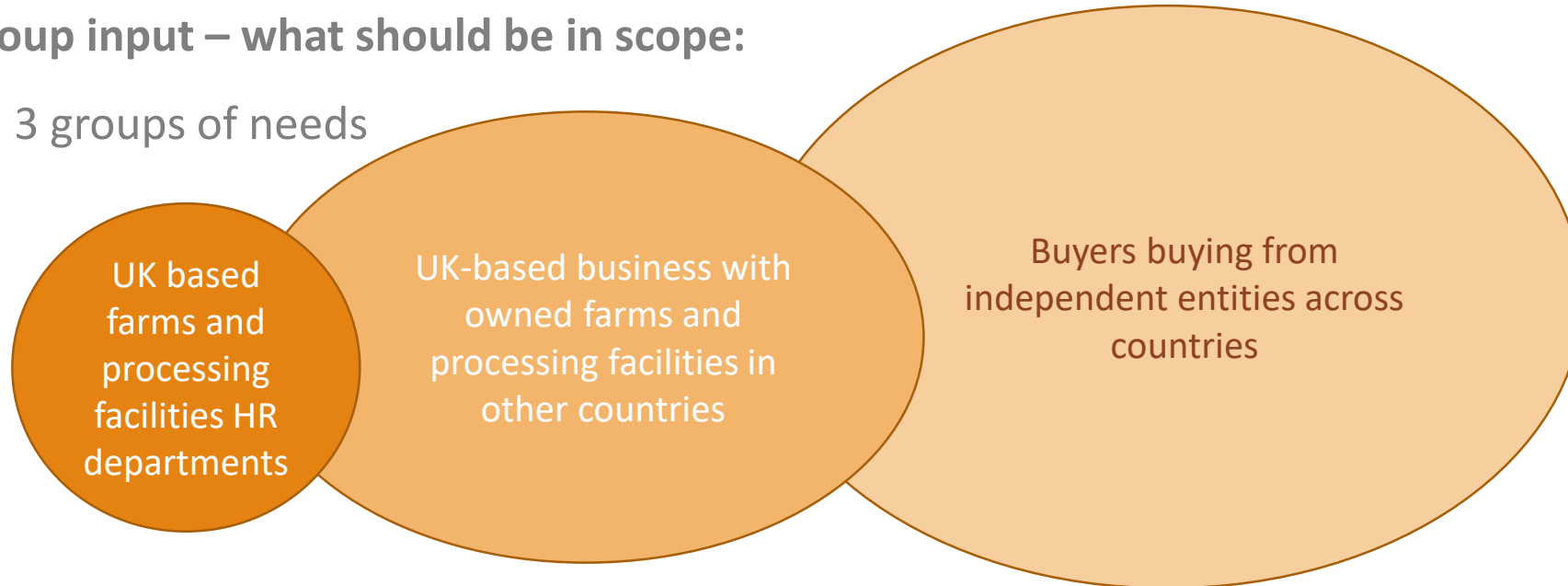
<https://www.acas.org.uk/media/957/Advisory-booklet---Representation-at-work/pdf/Representation-at-work-advisory-booklet.pdf>

Source: Gillian Haythornthwaite, nGage presentation to FNET 2019

# Member discussion – What is in scope? Contd.

## Group input – what should be in scope:

- 3 groups of needs



- How to establish effective workers' / union representation (according to UK rules)
- Assumption is that the UK has a developed and appropriate union system for farm workers. Is this correct?

- Where and how to prioritise work on worker representation?
- For each prioritized country:
  - Is working with unions appropriate and what appropriate means?
  - Depending on the above point, how to establish effective workers / unions representation according to the rule of that country?

- How to encourage workforce representation to become more effective

- Has the ETI developed a definition of appropriate beyond China?
- If not, Is it possible to develop some “objective” guidance from ETI or another organization on the matter?
- If not , would it be appropriate for FNET members to come up with their own definition?
- If not how should members navigate the choice of when or not union engagement is suitable?

# What do we want to achieve together?

- Change the words we use – move away from compliance
- Understand and define with it is appropriate to promote worker committees versus trade unions
- Get clarity on how to implement worker representation in the supply chain
- Hear from “thought leaders” in this area to help inform our own positions
- Identify better mechanisms for addressing social issues than audits
- Engage Oxfam on the indicators they are using to measure this area in Supermarket Scorecard
- Share case studies among members

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# Why are we starting with measurement?



**“If you can’t  
measure it,  
you can’t  
manage it”**

Peter Drucker

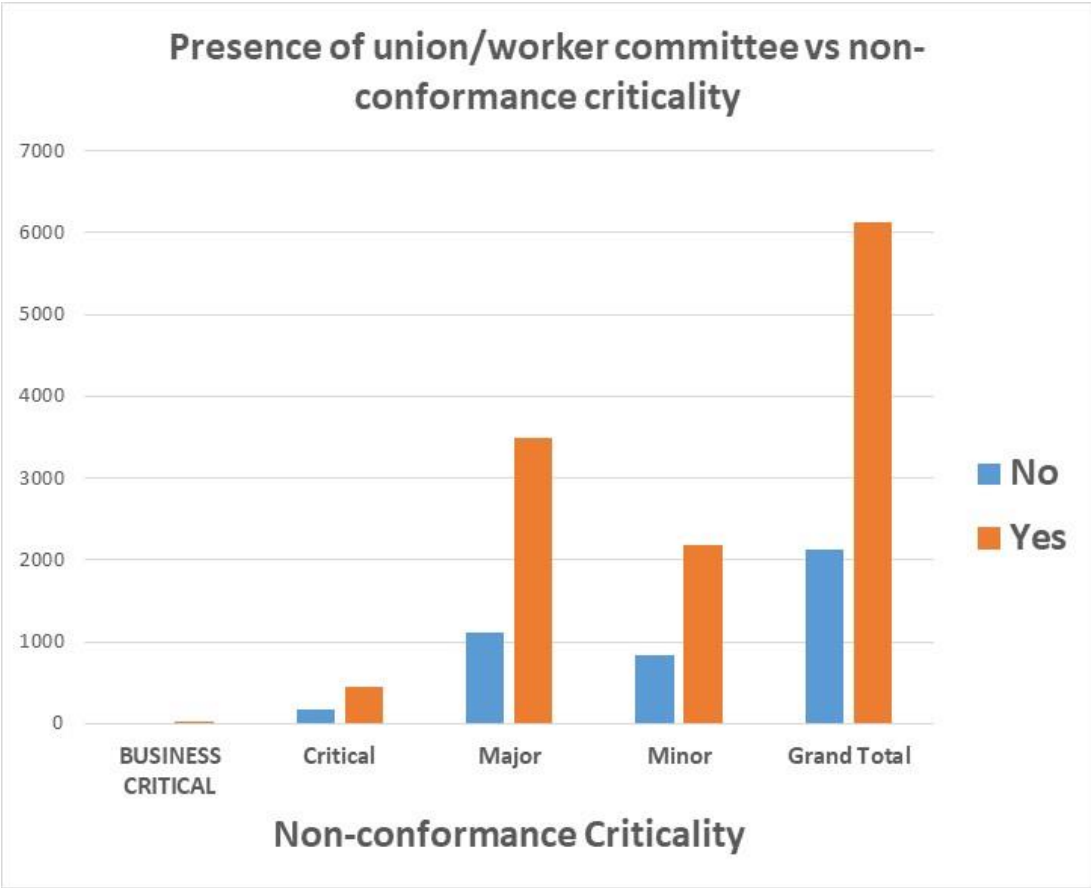
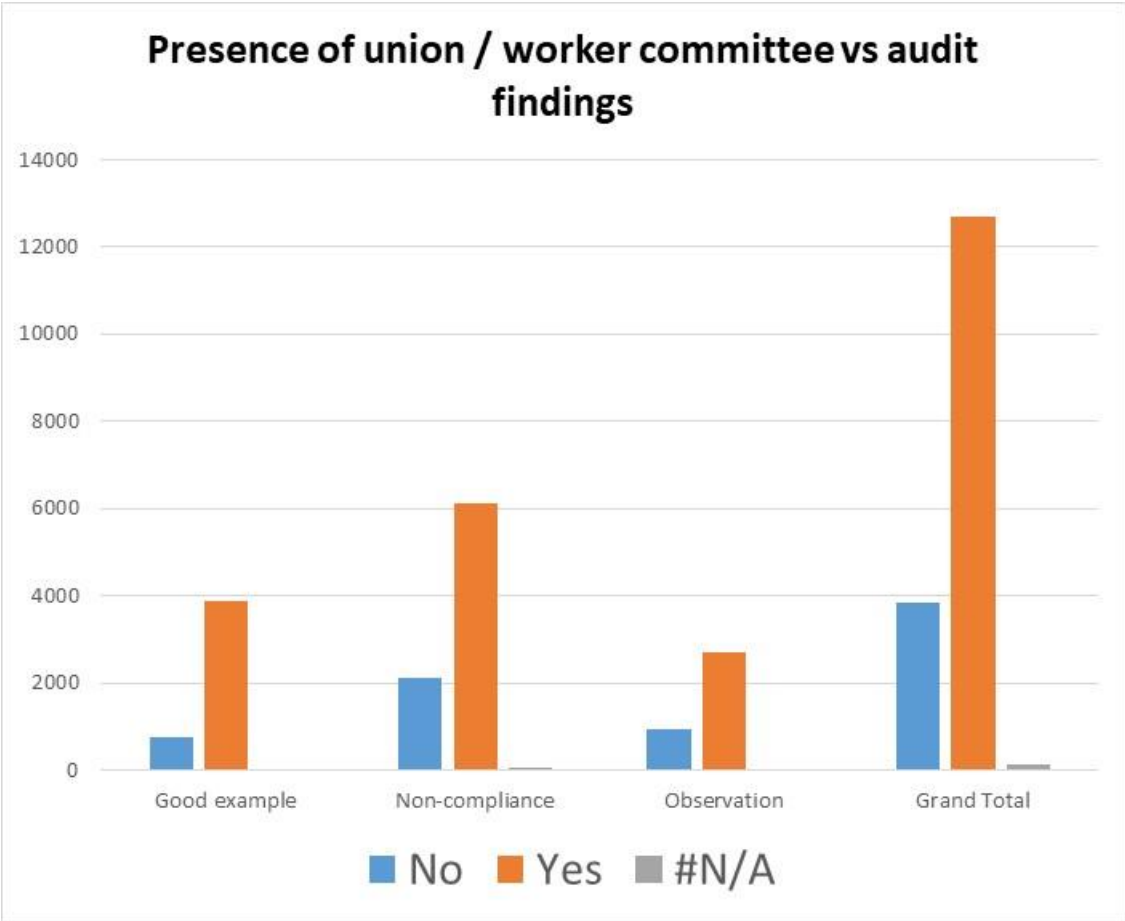
# Assessing worker representation

- What does good worker representation look like?
- What are we currently measuring?
- What should we be measuring?

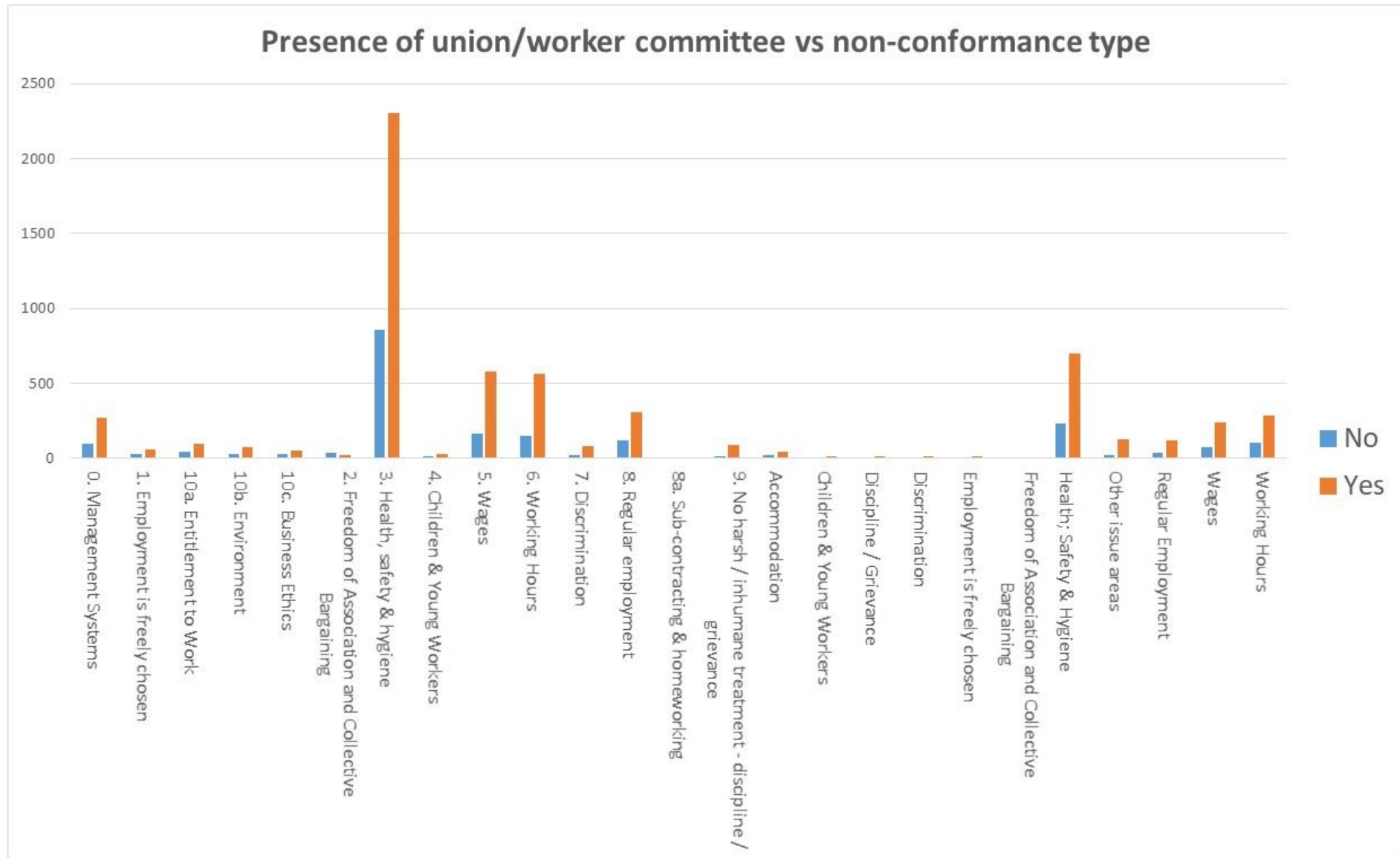


- Retailer feedback – audit data on audits and NCs
- Oxfam presentation – what is included in the Supermarkets Scorecard and why?
- Microbenefits – linking worker survey information to worker representation – member trial

# Retailer feedback – audit data on audits and NCs



# Retailer feedback – audit data on audits and NCs





# Oxfam supermarket scorecard

**Freedom of association:** Does the company engage trade unions to enable freedom of association and collective bargaining?

- i. **Commit to engage with credible trade unions at local, national and global level**, to understand what action is needed to remove barriers to freedom of association and create the enabling conditions for collective bargaining
- ii. **Publish and implement action plans and time-bound milestones that set out how to remove barriers to freedom of association for at least 3 high risk food supply chains.** Could include working with suppliers and trade unions to ensure that workers, including women workers and migrant workers, are aware of opportunities to join trade unions
- iii. **Publish and implement action plans and timebound milestones that set out how to remove barriers to freedom of association across all high risk food supply chains.**

**Grievance mechanisms:** Does the company ensure that people affected by its supply chain activities have access to grievance mechanisms and remedy?

1. **Publicly recognise all supply chain workers need to have access to UNGP-compliant grievance mechanisms** with time-bound plans to achieve this
2. **Identify potential barriers** faced by workers and smallholder farmers, including women, to accessing grievance mechanisms and remedy and **outline how to address the barriers**
3. **Public policy and time-bound plan** for ensuring workers and small-scale farmers across highest risk food supply chains **have access to effective grievance mechanisms and to remedy**, provided by the company alone, in collaboration with others or a third party

# Oxfam presentation – Danielle Smith

- Behind the barcodes scorecard has 93 questions, 3 of them focus on Freedom of Association
- Oxfam are asking retailers to remove barriers to FoA and to share their strategies to do this in 3 high risk supply chains and then all of their supply chains
- Examples of barriers would be:
  - Lack of awareness of rights
  - Seasonal contracts
  - Limited capacity of workers to form trade union
  - Unions are illegal or not encouraged by growers
- Oxfam recognise that even if workers have had the training they may still decide not to join a union

## Oxfam presentation/ discussion (2)

- What would Oxfam like to see?
  - Clauses on worker representation in Supplier Codes of Conduct
  - Companies engaging with trade unions at local, national or international level
  - Work with suppliers to ensure that women are adequately represented
- Worker representation is also relevant across the other Oxfam indicators e.g. Human Rights Impact Assessments and supply chain transparency
- Important that workers and trade unions know who they are producing products for
- Examples of worker representation working well include North Eastern Brazil where growers have sat down with trade unions and removed barriers for seasonal workers through sector-wide agreements – context is quite supportive which Oxfam recognise may not always be the case

# Oxfam presentation/ discussion (3)

- What do Oxfam want companies to be doing?
  - Move away from compliance and look at a bottom up approach to engaging trade unions – invite trade unions into the discussion
  - Look at purchasing practices and how they can support suppliers that support trade unions
  - Transparency in the supply chain
  - Measuring effective worker representation – track disaggregated data – women and migrants
- Unilever Oxfam report in Vietnam – did an effectiveness check of different grievance mechanisms and showed that workers had different opinions on channels e.g. managers said internal was good but workers said not. Younger workers were much more comfortable with raising issues by email

# Oxfam presentation/ discussion (3)

- What could companies be measuring?
  - How is the worker voice heard at Board level?
  - What types of agreement are in place and recognised by management?
  - How do you connect workers to the committee/ union? E.g. at induction?
  - How do communication channels fit together?
  - Are there KPIs/ performance indicators?

# Oxfam presentation/ discussion (4)

## Questions:

- **What is the Oxfam view on trade unions versus worker committee?** Danielle to discuss and revert. Danielle provided an example of Oxfam's work in Thailand where they have been encouraging worker committees - migrant workers don't want to join committees and can't join trade unions. Language is a barrier to meaningful engagement as it length of contract
- **Has there been any engagement from retailers in global frameworks?** Danielle to discuss and revert
- **How are Oxfam measuring the impact of the scorecard on companies behaviour/ policies/ procedures?** Danielle to discuss and revert

# Other input - measurement

## Measuring the effectiveness of worker representation



Source: Gillian Haythornthwaite, nGage presentation to FNET 2019

### Oxfam

- How do you gather worker feedback and involve them in decision making ?
- How many channels do you have for worker comms?
- Response to worker survey
- How often are innovations suggested by workers adopted by the business?
- Worker turnover

### John Lewis

- What are you doing to create opportunities for employees to informally or formally participate in decision making?
- What are you are doing to ensure your employees feel a sense of being listened to?
- Number of employees to every one employee representative
- Number of times a worker survey is run in a year
- % of the workforce that completed a worker survey (based on the last survey)
- Number of informal and formal meetings that take place to communicate what is happening in the organisation and provide employees with the opportunity to ask questions and give their views about this

# Group discussion – current measurement

## What are we currently measuring?

- Grievances – number and type
- **Whistleblowers** - are sites aware this needs to be measured?
- **Turnover**
- **Engagement - at sites/ and departments level:**
  - Number of workers involved in surveys
  - Worker satisfaction measures



# Group discussion – what should we be measuring?

## What should we be measuring?

- How are issues being raised to worker committees/ trade unions and how are they dealing with them? (through minutes?)
- Is there a trade union/ worker committee? **Yes/ No**
- How many workers are/ aren't represented? #
- Seasonal workers represented? Yes/ No
- Different nationalities represented? Yes/ No
- Different genders? Yes/ No
- How do you make sure you involve temporary staff in committees/ trade unions?
- # grievances resolved? Topic/ type?  
Representation of group
- Actions taken as a result of grievances – resolved or re-occurring?
- Do workers think worker representation is effective? Yes/ No

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# Ethical Trading Initiative

For workers' rights. For better business.

## Five step plan

**1. Review & refine policy commitments on workers rights and protections**

1. Policy matters - it sets the tone, practices and commitment for and to workers in your supply chain. It is important to confirm that your policy commitment is robust, and worker centred.

**2. Identify risk to rights and protections**

2. Building knowledge and understanding of FOA and workers' rights through your human rights due diligence commitment will provide you with a supply chain landscape of where workers are systematically at risk.

**3. Develop strategy for progressing and investing in workers'**

3. Strategic approaches to implementing FOA and progressing worker representation is contingent on outcomes of due diligence mapping on FOA at country and workplace level. .

**4. Reach out to communicate and remediate**

4. Introducing various approaches to preparing a communication strategy and suggest new opportunities in expressing vision and commitment to progressing FOA, CB and worker representation.

**5. Act to embed & consolidate**

5. Developing mature industrial relationships in a partnership approach with elected representatives and/or the workplace trade union should be part of the long-term sustainability of the business.

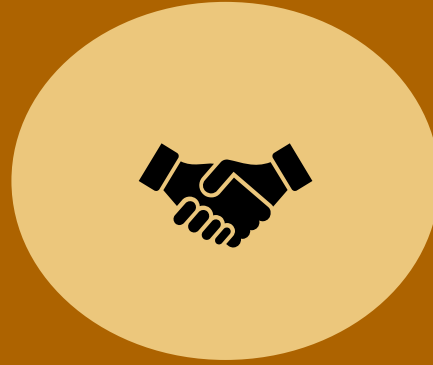
# Progressing worker representation



Workers cannot voice their concerns freely and there is no worker representation

**TO PROGRESS**

*Initiate, promote  
and communicate*



Workers have some recourse to dialogue with employers

**TO PROGRESS**

*Evaluate, scale  
and skill up*



Workers' needs are represented by trade unions or democratically elected representatives

**TO PROGRESS**

*Develop, strengthen  
and mature*

# In summary

1

Understand the country / regional dynamic

- Risk to workers
- Trade union or labour NGO networks

2

Take into consideration source “structure”

- Commercial farming, small holders

3

Deep dive for information

- Audit reports, interviews, community

4

Identify opportunities to act

- Creative & innovative

# ETI presentation/ discussion (1)

- **ETI guidance** continues to be updated – Step 4 of the guidance covers types of agreements with trade unions and Step 3 of the guidance covers recognition and Collective Bargaining Agreements – key question about when an agreement is dated
- Since May, the ETI have been working closely with a couple of companies to implement the ETI model:
  - 1 company with 300 factories has introduced a FoA questionnaire into the onboarding process for new factories – using this to understand and focus on where factories need help. For example a lot of factories are in the middle section of the model – they have H&S committees, canteen committees, grievance committees etc. Factories are now being graded on representation on site and grading is used as part of purchasing decisions
  - Developing 2 handbooks for clothing and agriculture – on the fruit sector in South Africa which they would like to see spread to other countries and to fisheries

# ETI presentation/ discussion (2)

- **South Africa handbook**
  - Focus will be on future of work
  - Handbook will be publicly available
  - Will include advocacy and training on FoA
  - Will look at worker representation in the context of climate change – 300,000 workers in South Africa could potentially be destitute. Aim is to map climate change and labour rights
  - Audit and audit plus – tools which can be applied at scale and consistently to assess worker representation
  - Will be presented at a December meeting in South Africa

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# nGage viewpoint

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<https://www.acas.org.uk/media/957/Advisory-booklet---Representation-at-work/pdf/Representation-at-work-advisory-booklet.pdf>

# Avara viewpoint



# Other member input?



# Group discussion

## Group discussion (20 minutes):

- What can we learn from the UK examples?
- How could we apply that to working with our supply chains?

## Feedback (10 minutes)

**POSTPONED TO NEXT MEETING**

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# Worker rep scenario discussion

## UK

You visit a UK site where there is a worker committee. The committee meets monthly to discuss issues raised via a worker suggestion box. In the last meeting, they discussed repairs to the factory toilet block and the location of the next Christmas party.

## Europe

You visit a farm in Spain with 300 permanent workers and 100 seasonal workers. 100 of the permanent workers are trade union members and there is a worker committee to represent the remaining 200 permanent workers.

## Global

You visit a farm in Cambodia where there is a health and safety committee, representing 250 permanent workers. There is no trade union.

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# Group discussion

## Group input (15 minutes):

How do we overcome the challenges to having worker-led organisations?

What examples/ best practice do members have from their own operations and supply chains of:

- Senior leaders setting the agenda
- Engaging migrant workers
- Empowering women workers
- Putting trade unions/ worker committees at the centre of the organisation.

## Feedback (10 minutes)



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# Next steps

Group brainstorm on:

- What more can we do together in this area?
  - Outputs
  - Discussions
  - Bringing in external expertise

**POSTPONED TO NEXT MEETING**

# Proposed agenda for next meeting – tbc January

1. Follow up on previous meetings actions
2. Deep dive to look at different channels:
  1. Internal grievance mechanisms
  2. Whistleblowing hotlines
3. Audit quality discussion – how to improve what auditors are looking at in this area?
4. Measures of effectiveness – engagement from more suppliers on this issues
5. Member positive case studies of how worker representation can help.

**PLEASE FEEDBACK**