June 10, 2016 International Labour Conference Geneva

Today, the General Body of the International Labor Organization adopted the report of the Committee on Decent Work in Supply Chains setting forth next steps including the convening of experts to review global supply chains and study the need for a new ILO instrument.

The Committee's report adopted by the General Body recognizes the decent work deficit for workers at the end of supply chains, the restructuring of employment relationships brought on by multinationals' expansion of the global value chain model across sectors which has decreased standards for workers, and the importance of "lead firm" responsibility in reversing negative impacts for workers.

With these steps, the ILO's General Body set forth a mandate to review core issues of concern to our delegation including extremely low wages and the disproportionate deterioration of the rights of women and migrant workers in global supply chains. The dialogue included significant discussion of women workers and migrant workers in the global supply chain. Home workers at the bottom of the supply chain were also explicitly discussed. These are big steps forward.

These next steps laid out in the report represent a historic step forward for the ILO in its first-ever tripartite dialogue on global supply chains at the International Labor Conference. These steps will ensure that the ILO's work in this area continues on a steady course.

We are also encouraged that Indonesia's Freedom of Association Protocol and the binding Bangladesh Accord on Fire and Building Safety are cited as good practices that merit scaling and replication. While the ILO and governments have important roles to play, nothing short of binding agreements, enforceable by workers and their organizations, will ultimately hold multinational brands and retailers accountable for their supply chains.

The dialogue, however, also foreshadowed the difficult road ahead of us. Employers resisted basic points throughout the dialogue, only to be forced to compromise by the sheer pressure of the trade unions and some governments. Employers tried very hard to "nationalize" the problem of human rights violations in the global supply chain by blaming governments for the violations. Governments, while taking responsibility, pointed out that their capacity was limited by the unaccountable activities of multinational enterprises. In particular, the employers' objections to recognizing how global supply chains obscure employment relationships and the repeated denial of the role and responsibility of "lead firms" shows the importance of ongoing leadership by trade unions and worker organizations in the ILO's follow-up steps. It will take continued advocacy to settle the details.

As a delegation of workers in Asia, Latin America, and the United States, we will continue to expand our grassroots research, which underscores the urgency and importance of the ILO's work. Leading up to the ILO, we released five global supply chain reports on the seafood and garment supply chains in Asia and the United States and a documentary on the Asian garment industry. The reports generated significant media coverage in the United States, Europe, and Asia that reached the halls of the tripartite discussion and added to the heat on the employers. Moving forward, we will expand our research and analysis, also proposing recommendations on minimum living wage and global labor subcontracting supply chains arising from our research and organizing on garment, seafood, and care supply chains.

We will also continue to demand action by brands, governments, and the ILO for lead firm responsibility for living wages in global supply chains – an issue gaining support and momentum from trade unions and social movements in Asia, the United States, the United Kingdom, and others. Given that the ILO supports a basic living standard and a wage that meets the basic needs of workers and their families, and a minimum living wage is a basic demand of workers across the globe today, we expect attention and progress on wages in global supply chains in the ILO's steps going forward.

We look forward to continuing to engage in this supply chain process at the ILO, and translate that into building worker power on the ground all across the world and eventually into a global supply chain standard, which the final document establishes as a possibility.

Our delegation offers the following additional statements from participants:

We need binding regulation on global supply chains, <u>including seafood</u> processing, and we are glad for this step forward at the ILO. Right now in Massachusetts, Mirna and a group of women have <u>demanded that</u> <u>Costco</u> end retaliation against them for exposing sexual harassment and wage theft in one of its suppliers. I have talked to hundreds of migrant women workers with similar experiences in the United States and Mexico.

Still I am hopeful. In Geneva, I met with other women workers who are organizing in shops, factories, and their homes and we will continue forward, together, demanding decent work and a dignified life for all workers in global supply chains.

## <u>Alliance</u>

Five years ago domestic workers successfully campaigned for global labor standards with the adoption of <u>ILO Convention 189</u>, <u>Decent Work</u> <u>for Domestic Workers</u>. Since then, 22 countries have ratified it and 15 million domestic workers have greater labor and social protections. If the ILO can create binding standards for domestic workers, it can and should do so for global supply chains. The workers who produce and provide the critical services for the global economy deserve no less.

Jill Shenker, <u>National Domestic Worker</u>

## <u>Alliance</u>

It is possible for retail workers in countries like the United States to be in alliance and not be pitted against production workers in Asia. Brands like H&M, Walmart, and Gap, are capable of paying a living wage, providing safe working conditions, and giving workers greater control of <u>their schedules at work</u>.

Ben Woods, Jobs With

## <u>Justice</u>

<u>Asia Floor Wage Alliance</u> will continue to organize with garment unions, bring to light fresh evidence of human rights violations in the global supply chain, and push for binding ILO regulation of multinationals and their supply chains.

Anannya Bhattacharjee, Asia Floor Wage

## <u>Alliance</u>

While global supply chains have revealed new forms of employment relationships that disadvantage workers – particularly women and migrants – this year's dialogue lifted up new forms of organizing, collective bargaining, and corporate accountability from trade unions and workers' centers. With these concrete next steps, the ILO steps into an important role advancing social dialogue towards raising the floor for working conditions and broader sharing of profits across the global value chain.

Jennifer (JJ) Rosenbaum, National Guestworker

<u>Alliance</u>