

On the borderline of responsibility

Case studies on the production of Tokmanni's own imports products in Thailand



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Finnwatch is a non-profit organisation that investigates the global impacts of Finnish business enterprises. Finnwatch is supported by ten development, environmental and consumer organisations and trade unions: the International Solidarity Foundation (ISF), Kepa, Kehys – The Finnish NGDO Platform to the EU, Pro Ethical Trade Finland, the Trade Union Solidarity Centre of Finland SASK, Attac, Finn Church Aid, the Dalit Solidarity Network in Finland, Friends of the Earth Finland, and the Consumers' Union of Finland.

Migrant Worker Rights Network (MWRN) is a migrant worker membership based organisation with offices in Thailand and Myanmar that seeks to empower migrant workers and ensure their access to rights and a good quality of life. MWRN is supported by international development organisations and global union federations amongst others and works closely with Thai businesses and industry associations to address migrant worker conditions in Thailand.



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1. Introduction

Discount retailer Tokmanni aims to offer seven out of ten products in their stores at lower than market average price. Tokmanni's purchasing principles are based on international human and labour rights conventions, but the working conditions at two of Tokmanni's suppliers covered in this report, Zenith Infant Product and Great Oriental Food Products, fall short of these standards.

Tokmanni imports to Finland child care products and mango produced in Thailand by Zenith Infant Product and Great Oriental Food Products respectively. Thailand is a so-called risk country, which has been widely criticised for systematic violations of labour and migrants' rights, especially in export industry sectors.¹ Migrant workers at Zenith Infant Product, who were interviewed for this report, are seriously indebted due to high recruitment fees occurred even before they start working. At Great Oriental Food Products factory, many migrant workers do not have a legal status that would allow them to work in Thailand and they are paid less than the national minimum wage. In both cases, Tokmanni made one-off purchases from these producers via their suppliers based in Europe, and currently has no plans to continue purchases from them.

Companies have the responsibility to respect human rights. According to the United Nations' (UN) Guiding Principles on Business and Human Rights, this includes a responsibility to seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products or services by their business relationships, even if they have not contributed to those impacts. When companies are involved with adverse human rights impacts through their business relationship, they must use their leverage to encourage the entity that caused or contributed to the human rights impact to prevent or mitigate its recurrence. This may involve working with the entity and/or with others who can help over a period of time.²

Tokmanni as a retailer does in particular have the responsibility over its private label and other products that it imports to the European Economic Area and/or to Finland (own imports). This responsibility extends to the entire value chain, including suppliers and sub-suppliers or sub-contractors. The retailers' responsibility over their private label products and own imports has recently been highlighted for example in the shared vision on grocery chain due diligence, adopted by Finnish grocery trade, NGOs (including Finnwatch), labour organisations and public

1 Finnwatch has issued numerous reports on migrants' rights' violations in Thailand; see for example Finnwatch, 2015, Työtä tarjolla velaksi: Työolot Thaimaan broileritetollisuudessa, available at http://www.finnwatch.org/images/Finnwatch_broileri_2511_2015.pdf (in Finnish); 2014, Caring for hands not workers – Labour conditions in the Siam Sembermed factory, Thailand, available at http://www.finnwatch.org/images/semperit_en1.pdf; 2013, Suomalaisten design-tuotteiden vastuullisuus – Case: Marimekko ja Iittala Thaimaassa, available at http://www.finnwatch.org/images/pdf/design tuotteiden_vastuullisuus.pdf (in Finnish); 2013, Halvalla on hintansa: Kaupan omien merkkien tuotteiden vastuullisuus, available at http://www.finnwatch.org/images/pdf/design tuotteiden_vastuullisuus.pdf (in Finnish). See also, Business Social Compliance Initiative (BSCI), 2014, Countries Risk Classification, available at <http://www.bsci-intl.org/resource/countries-risk-classification> (accessed 30 November 2015); and Human Rights Watch, 2010, From the Tiger to the Crocodile: Abuse of Migrant Workers in Thailand, available at <https://www.hrw.org/report/2010/02/23/tiger-crocodile/abuse-migrant-workers-thailand> (accessed on 26 November 2015)

2 Office of the High Commissioner for Human Rights, 2011, Guiding Principles on Business and Human Rights, Principle 13, available at http://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf

officials in August 2015.³ The shared vision also recommends that retailers avoid entering into business relations with suppliers whose operations include serious shortcomings or on whom the retailer has not gathered information through a human rights due diligence process.

In the case of both Zenith Infant Product and Great Oriental Food Products, Tokmanni appears to have failed to adequately gather or act on the basis of information gathered by its Europe-based suppliers about their Thailand-based suppliers. By making one-off purchases from suppliers in a risk country whose business practices and working conditions were unknown in detail to Tokmanni, Tokmanni has become involved with adverse human rights impacts.

This report is part of Finnwatch and Migrant Workers Rights Network's (MWRN) three year joint collaborative project aimed at empowering migrant workers to negotiate better employment terms and working conditions in Thailand. The project is funded by Finland's Ministry for Foreign Affairs.

³ Finnish Ministry of Employment and the Economy and the Ministry for Foreign Affairs et al., 2015, A Shared Vision for Respecting the UN Guiding Principles on Business and Human Rights in Grocery Trade Supply Chains, available at https://www.tem.fi/files/44250/UNGP_Grocery_Trade_final_200815_eng_final.pdf

2. Tokmanni Group

Tokmanni Group ('Group' or 'Tokmanni') is a large discount retailer in Finland and the Nordic countries. The Group has approximately 150 stores and an online shop. In 2014, Tokmanni Group's sales amounted to EUR 734 million. Tokmanni employs approximately 3,000 employees.⁴

Tokmanni sells consumer goods such as techno-chemicals, clothing, household and seasonal products, home decoration and textiles, groceries, tools and equipment, sports and leisure, home electronics and entertainment.⁵ Its aim is to offer seven out of every ten products in its range at lower than market average price to the customer.⁶

According to Tokmanni Group, its purchasing principles are based on the International Labour Organization ILO's Declaration on Fundamental Principles and Rights at Work, the Universal Declaration of Human Rights, and the UN Convention on the Rights of the Child.⁷ Tokmanni grew rapidly, including through acquisitions, in the 2000s. In 2013, the Group began centralising many of its operations, including purchasing, between the acquired parts. However, according to Tokmanni, it takes time to ensure that all its purchasing is in line with its new purchasing principles.⁸

Tokmanni Group is also a member of the Business Social Compliance Initiative BSCI. According to the Group, it requires its regular suppliers to also join BSCI.⁹

Business Social Compliance Initiative

Business Social Compliance Initiative (BSCI) is a business-driven initiative which seeks to support retailers, importers and brands in improving working conditions in their supplying factories and farms worldwide. BSCI membership is not a guarantee of socially responsible business operations throughout a company's value chain but it does signal a commitment to improving working conditions in the supply chain.

BSCI provides its members with a social auditing methodology against its Code of Conduct which is based on international human rights standards such as the Universal Declaration of Human Rights, the Children's Rights and Business Principles, UN Guiding Principles for Business and Human Rights, OECD Guidelines, UN Global Compact and ILO Conventions.¹⁰

According to the BSCI 2010 Commitment Formula, BSCI members must bring $\frac{2}{3}$ of their producers, or producers supplying $\frac{2}{3}$ of their order volume from risk countries, within the scope of social auditing processes that follow the BSCI Code of Conduct. The Commitment Formula is currently under review, and it is expected to be updated in 2016. The revised Commitment Formula is likely to emphasize company or supply chain human rights due diligence as the basis for the selection of producers for social auditing.¹¹

As part of the joint Finnwatch and MWRN project, Finnwatch requested from Tokmanni information regarding the suppliers in Thailand of their private label and own imports products which Tokmanni openly shared with Finnwatch.

4 Tokmanni, About the Tokmanni Group, available at <https://yritys.tokmanni.fi/suppliers> (accessed on 16 September 2015)

5 Tokmanni, Responsible Purchasing, available at <https://yritys.tokmanni.fi/responsible-purchasing> (accessed on 16 September 2015)

6 Tokmanni, Sourcing Operating Model, available at <https://yritys.tokmanni.fi/sourcing-operating-model> (accessed on 24 November 2015)

7 Tokmanni, Responsible Purchasing, available at <https://yritys.tokmanni.fi/responsible-purchasing> (accessed on 16 September 2015)

8 Tokmanni, Outi Mikkonen, by email on 6 November 2015

9 Tokmanni, Outi Mikkonen, by email on 6 November 2015

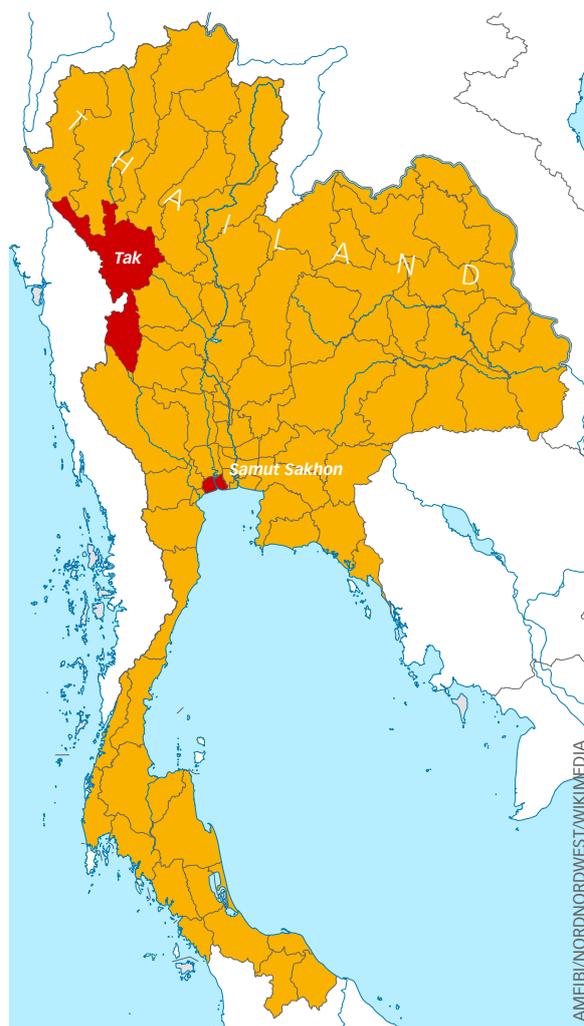
10 BSCI, What We Do, available at <http://www.bsci-intl.org/content/what-we-do-0> (accessed on 16 September 2015)

11 BSCI, Veronica Rubio, by phone on 30 November 2015. The BSCI 2010 Commitment Formula, which is being phased out, is available at <http://www.bsci-intl.org/resource/bsci-system-manual-part-v-annex-11-bsci-commitment-formula-version-2010> (accessed on 1 December 2015).

3. CASE: Zenith Infant Product

Zenith Infant Product Co Ltd designs and manufactures baby feeding products such as bowls and milk bottles.¹² Their factory is located in Samut Sakhon province, near Bangkok, in Thailand. Workers interviewed as part of the research for this report reported that the factory consists of two side-by-side production facilities. The workers estimated that the factory employs approximately 2,000 workers, 80 per cent of whom are migrant workers from Myanmar. Approximately 20 per cent, or 400 people, are reportedly supervisors and managers from Thailand.¹³

Tokmanni sells Zenith Infant Product made child care products.¹⁴ Tokmanni has purchased the products via its supplier Scandinavian Baby Products¹⁵, a company based in Aarhus, Denmark. According to Scandinavian Baby Products, they consider social responsibility important and they are “certain” that private label products that they source for their customers and products that they distribute meet their “requirements for social responsibility”. Scandinavian Baby Products requires their suppliers to commit to not using child labour. The monitoring of their suppliers is done through third party audits, but different suppliers are monitored against different standards, some of which are product safety and/or quality standards whereas others pertain to social responsibility issues. Scandinavian Baby Products is not a member of BSCI.¹⁶ According to Tokmanni, they have asked Scandinavian Baby Products to join BSCI but they have no plan to continue purchases from Scandinavian Baby



Provinces of Tak and Samut Sakhon in Thailand.

Products due to product quality and business reasons.¹⁷

Zenith Infant Product has been audited by SGS, an auditing firm, in line with Sedex Members Ethical Trade Audit (SMETA) good practice guidelines.¹⁸ Sedex is a collaborative platform and a database for business enterprises to share supply chain data, aimed at

12 See Zenith Infant Product Co. Ltd at <http://www.zenithinfant.com/index.html>

13 The figures are based on interviews with the workers.

14 Tokmanni, Outi Mikkonen, by email on 4 July 2015

15 Scandinavian Baby Products is registered also under another name, Trade Fair, that it uses mainly for toys articles.

16 Scandinavian Baby Products, Lasse Rolighed Olesen, by phone on 2 December 2015. See also Scandinavian Baby Products, CSR, available at <http://scandinavian-bp.com/csr/>

17 Tokmanni, Outi Mikkonen, by email on 18 August 2015 and 3 December 2015

18 In addition, Zenith Infant Product has been audited against ISO 9001, ISO 14001 and BRC standards. These pertain to product safety and quality, and environmental issues.

improving responsible business practices and reducing the burden and cost of multiple audits on producers. Sedex does not accredit auditors, or guarantee the quality or the validity of the audit results. Audit reports stored in the Sedex database are only available to other Sedex members and not made publicly available.¹⁹

The SMETA Measurement Criteria, which give instructions on the items to be checked during a SMETA audit, instruct the auditors to pay attention to issues such as possible debt incurred by the workers due to recruitment fees.²⁰ According to the audit report, seen by Finnwatch, the auditors did not find anything problematic regarding recruitment fees at Zenith Infant Product. The audit report also gives Zenith Infant Product clean sheet in regard to child labour, working hours, wages, and freedom of association.

3.1 METHODOLOGY

MWRN interviewed ten workers at Zenith Infant Product factory in June 2015.

All interviewees were workers from Myanmar; four of them were men and six were women. Some had been working at Zenith Infant Product factory for up to seven years whereas others were more recent recruits. At Zenith Infant Product factory, they performed a variety of tasks including for instance assembling clips and badges, working with machines stamping labels on bottles, and assembling or checking the quality of milk bottles.

Finnwatch purposefully sought to interview only migrant workers for this report. The majority of workers at Zenith Infant Product factory are migrant workers from Myanmar as is typical for Thailand's export industries where Thai nationals tend to be employed only in supervisory or management roles. In

Thailand, migrant workers face widespread discrimination and their rights are systematically violated at recruitment and during and when changing or leaving employment.

The semi-structured interviews were conducted off-site, confidentially in private, and in Myanmar language. Interview questions focused on workers' recruitment process, employment relations and working conditions at the Zenith Infant Product factory as well as migrant workers' living conditions.

Finnwatch has also reviewed the interviewed workers' pay slips, work permits, Zenith Infant Product ID cards, and other documentation.

In line with Finnwatch's Ethical Guidelines²¹, the interview findings were shared with Zenith Infant Product prior to the publication of this report. Zenith Infant Product's response was solicited via the Tokmanni Group, who contacted their supplier Scandinavian Baby Products about the findings, who in turn were in touch with Zenith Infant Product. The companies' joint response to the alleged labour rights violations at Zenith Infant Product is included into this report.

3.2 HIGH RECRUITMENT FEES

All Zenith Infant Product factory workers interviewed for this report had been recruited in Thailand. Some of the interviewed workers claimed to have been irregular²² at the time of recruitment. These workers had applied for regularisation with Zenith Infant Product as their employer. Others were already regular and changing employers whereas some had originally come to Thailand on a tourist visa which does not legally entitle them to work in Thailand.

19 Sedex, About Sedex, available at <http://www.sedexglobal.com/about-sedex/> (accessed on 16 September 2015)

20 Sedex, SMETA Measurement Criteria, p. 10, available at <http://www.sedexglobal.com/wp-content/uploads/2014/11/1b.-Publicly-availability-SMETA-Measurement-Criteria-4-Pillar-5.0.pdf>

21 Finnwatch, Ethical Guidelines, available at <http://www.finnwatch.org/en/what-we-do/ethical-guidelines>

22 Irregular migrant is "[S]omeone who, owing to illegal entry or the expiry of his or her visa, lacks legal status in a transit or host country. The term applies to migrants who infringe a country's admission rules and any other person not authorized to remain in the host country." See IOM, Glossary on Migration, 2011, available at http://www.iomvienna.at/sites/default/files/IML_1_EN.pdf

Irregular migrant workers can obtain the legal right to live and work in Thailand by completing a two-step regularisation process of registration and nationality verification. Migrant workers who are only registered have a temporary legal right to work in Thailand for a limited amount of time but their immigration status remains irregular. Registered migrant workers can regularise also their immigration status, and obtain a passport, Thai visa and a work permit that is valid for longer periods of time through nationality verification. The official nationality verification process is complex and time-consuming, which is why many employers and migrant workers turn to brokers and recruitment agencies who help them to navigate through it but who often charge high fees for their services.

Irrespective of their status at the time of recruitment, all interviewees reported recruitment fees of up to THB 19,000 (approximately EUR 500) per person. In all cases, the workers said that they paid these fees to the human resources personnel and/or the company translator at the Zenith Infant Product. The workers were not explained what the fees consisted of and they were not given any receipts for the payments.

Those on tourist visas reported additional irregular fees concerning documentation changes and application processes.

On top of the recruitment fees, all interviewees reported high documentation fees for applying or renewing passports, visas and/or work permits as well as for a health check which the Thai authorities require migrant workers to undertake. According to the workers, all documentation fees – between THB 7,900 to 14,000 (approximately EUR 200–370) per person – were also paid directly to the human resources personnel and/or the company translator at the Zenith Infant Product factory.

In addition, according to the workers, they had to pay the human resources personnel and/or the company translator in order to complete 90-day registration for foreign nationals – a process that the authorities do not charge for at all.²³

Upon completion of nationality verification, migrant workers typically receive two-year visas and work permits which can be extended for a further two years. Workers who have completed nationality verification could therefore live and work legally in Thailand for four years.²⁴ The government policy for how workers could extend their stay even further than four years is unclear, and therefore many resort to ad-hoc solutions. For example, workers interviewed for this report told Finnwatch that those migrant workers who had completed four years of service at Zenith Infant Product were instructed to throw away their still valid passports²⁵ and re-register during the next registration amnesty using another name.²⁶ After re-registering, these migrant workers could re-enter the nationality verification process, thereby obtaining new passports, work permits and visas under a different name. For new documents, they would have to once again pay similarly high fees as described above. At the same time, they would lose any social security benefits under their old name, such as accumulated pension contributions.

The recruitment and documentation fees at Zenith Infant Product are extortionate for migrant workers who are earning the minimum legal wage in Thailand (see below). In order to pay the fees, migrant workers interviewed for this report told that they sometimes had taken out loans, typically from a private money lender, at high interest

23 All foreign nationals irrespective of their immigration status staying longer than 90 days in Thailand have to report to the authorities every 90 days.

24 Only very recently, although the policy remains unclear, workers have been able to obtain permits for stay of six years or even longer. However, at the time of the research interviews, migrant workers remained bound by four year stay permission limits.

25 Myanmar issues passports that are valid for six years at a time.

26 In Myanmar, it is common that people have multiple names, and changing one's name is easy.



Zenith Infant Product factory in Samut Sakhon province, Thailand.

rates. They then had to work for months just to pay off their debt and were not able to save any money, or to send money back home.

Interviewed workers also reported that they had been told by the management or supervisors at Zenith Infant Product to tell visiting auditors that they had to pay no recruitment fees whatsoever at the Zenith Infant Product factory.

According to Tokmanni and its suppliers' response, Zenith Infant Product cannot be held responsible for the recruitment fees charged to the migrant workers because the recruitment process has been delegated to an external agency who bears the responsibility. At the same time, Tokmanni and its suppliers also told Finnwatch that one Zenith Infant Product human resources staff member has been found to have been collecting money from the migrant workers in instalments towards documentation fees for the recruitment agency, and is subsequently facing disciplinary action. According to their response, Zenith Infant Product is taking action to inform all its employees that such behaviour was an act of an individual and not company practice. The company did not respond to allegations of other fees (e.g. recruitment

fees up to THB 19,000, other irregular fees) being also collected from the workers.

According to Tokmanni and its suppliers' response, Zenith Infant Product factory is also from now on going to inform workers of the services of other recruitment agencies that the workers can contact in order to renew their work permits and other documentation if they do not want to use the agency that Zenith Infant Product has contracted. The existing processes for migrant workers to obtain or extend their legal right to live and work in Thailand, however, require the employer's active involvement at various steps throughout the process. Zenith Infant Product suggestion is therefore not practical and the company should not shift all burden and responsibility onto its workers alone.

Furthermore, recruitment fees charged to migrant workers are a well-established risk factor that can lead to situations of debt bondage, an indicator or in some cases in and of itself, a form of forced labour.²⁷

²⁷ International Labour Organization, *Indicators of Forced Labour*, available at http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---declaration/documents/publication/wcms_203832.pdf

3.3 NO CONTRACT OF EMPLOYMENT

The workers interviewed for this report all said that they had no employment contract with Zenith Infant Product. The workers said that they would like to have a contract, explaining terms of employment and written in a language that they understand.

Zenith Infant Product did not comment on the alleged lack of employment contracts in their response. Thai labour law recognises both oral and written employment contracts.²⁸

Without a clear employment contract, the terms of employment are often unclear and this makes workers vulnerable to abuse. Without a contract that establishes a relationship between the employer and the employee, the workers might be left without protection for example in case of a work related accident should an employer contest their employment status.

3.4 LONG HOURS AT MINIMUM WAGE; ATTEMPTS TO HIDE THE AMOUNT OF OVERTIME?

According to the workers interviewed for this report, the Zenith Infant Product factory is open 24 hours a day and sometimes seven days a week.

In interviews, most workers reported work in 8-hour shifts. The workers generally had a one hour lunch break during the day. According to the workers, toilet breaks were monitored and timed to 10–15 minutes each. Despite threats to workers spending longer time on toilet breaks, workers acknowledged that they didn't know of any punishment for breaching these rules.

Two machine operators interviewed mentioned working in 7-hour shifts. The workers in three shifts reported no fixed lunch breaks. Instead, they had rotating breaks of 15 or more minutes for food and for toilet usage across the day. According to the workers, they often have to cover for others, and two

to three times a week, they have to work two shifts in a row (14 to 15 hours) and as such, do not get proper rest.

The workers reported being paid THB 300 (approximately EUR 7.90) a day – in other words, the legal minimum wage in Thailand – irrespective of whether they worked day or night shifts.²⁹ For Sunday work, the pay was reported as double as required by law. However, Finnwatch has repeatedly raised concerns that the minimum wage is not sufficient to afford even the most basic standard of living in Thailand.³⁰ This is a common problem as minimum wages are often kept artificially low in order to attract businesses and investors into a country, especially in developing countries. Zenith Infant Product factory workers interviewed for this report also said that they felt their salaries did not allow real living wage.

Many migrant workers at the Zenith Infant Product factory live in a nearby residential area in a privately rented accommodation, often in shared rooms of two or more persons. Workers interviewed for this report paid between THB 1,700 to 2,000 (approximately EUR 43–50) for a room and between THB 800 to 1,000 (approximately EUR 20–25) for water and electricity a month. According to the workers, the rooms are of good quality. According to the companies' response, Zenith Infant Product provides the workers with free transportation to the residential area and offers workers meals at a subsidised rate in the factory canteen.

Workers interviewed for this report did approximately 2 to 6 hours of overtime per day. For overtime, the workers at Zenith Infant Product reported being paid THB 56 (approximately EUR 1.50) per hour in line with Thai laws. In order to be able to save and/or send money back home, many migrant workers want to do as much overtime as possible.

28 Thailand, 1998, Labour Protection Act. Unofficial English translation available at <http://www.ilo.org/dyn/natlex/docs/WEBTEXT/49727/65119/E98THA01.htm> (accessed on 30 November 2015)

29 Thailand, 2013, Notification of the Wage Committee on Minimum Wage Rate, available at http://www.mol.go.th/sites/default/files/downloads/pdf/Wage_2013_Eng.pdf

30 Finnwatch, 2013, Suomalaisten design-tuotteiden vastuullisuus – Case: Marimekko ja Iittala Thaimaassa, p. 9, available at http://www.finnwatch.org/images/pdf/designtuotteiden_vastuullisuus.pdf (in Finnish)

According to some of the workers interviewed, sometimes supervisors at Zenith Infant Product withhold overtime as punishment for an argument, an error, or some other reason, whereas at other times, workers felt that they were pressured to work overtime against their will with threats of withheld overtime in the future.

The workers at Zenith Infant Product factory reported that they have to open two separate bank accounts to which their salary is paid directly every ten days. One of the accounts is for daily salary and the other for overtime pay. The practice is unusual and raises concerns about attempts to hide the amount of overtime the workers do to auditors and Zenith Infant Product's buyers, especially as the workers also told Finnwatch that they have been told to lie about the amount of overtime to auditors. International social responsibility standards generally regard 12 hours of overtime per week as the upper limit. According to the BSCI standard, overtime needs to be exceptional and it cannot be repeatedly added to regular working hours.³¹

All interviewed workers had social security payments deducted from their salary in line with Thai laws. Although none of the workers interviewed for this report had illegal deductions taken from their wages, the workers did report that some departments at Zenith Infant Product factory do deduct workers' salaries for damaged goods during production.

The workers are given salary slips but only in Thai, a language most of them do not read or speak. According to Tokmanni and its suppliers' response, Zenith Infant Product is now taking initial steps so that they can provide pay slips in Myanmar language in the future.

3.5 PROBLEMS WITH SICK PAY AND ANNUAL LEAVE

According to the Thai Labour Protection Act, workers need to present a doctors certificate for three or more days of absence when ill.³² Workers at Zenith Infant Product reported however that they needed to represent a certificate even for one or two days of sick leave in order to receive sick pay. Even then, in case of short term illness, they were not paid sick leave in full but only a half.

According to the workers, they received holiday pay in accordance with Thai laws but they were only given four days of annual leave (and not six as stipulated in the Labour Protection Act³³). The workers found this challenging if they wanted to visit home. The trip from Samut Sakhon just to the Myanmar border alone takes usually half a day by bus, the cheapest and most common way of travel for migrant workers. Once in Myanmar, travel to home can take days as connections using public transportation are poor. According to the workers, if they took more than a few days leave they would be dismissed and would need to re-apply for their jobs – and pay the recruitment fees all over again.

Zenith Infant Product did not comment on the alleged problems with sick pay and annual leave entitlement in their response.

3.6 UNDERAGE WORKERS

Workers interviewed for this report said that there is a small number of children (16- to 17-year-olds) working at the Zenith Infant Product with passports stating their age to be 18 or above.

Zenith Infant Product did not comment on the allegation of underage workers. The legal minimum working age in Thailand is 15.

31 BSCI, 2014, System Manual, p. 207, available at http://www.bsci-intl.org/sites/default/files/BSCI%20MANUAL%202.0%20EN%20-FULL%20VERSION-_0.pdf

32 Thailand, 1998, Labour Protection Act , Article 32. Unofficial English translation available at <http://www.ilo.org/dyn/natlex/docs/WEBTEXT/49727/65119/E98T-HA01.htm> (accessed on 30 November 2015)

33 Thailand, 1998, Labour Protection Act , Article 30. Unofficial English translation available at <http://www.ilo.org/dyn/natlex/docs/WEBTEXT/49727/65119/E98T-HA01.htm> (accessed on 30 November 2015)

Finnwatch has previously documented similar cases in Thailand's tuna factories and at a factory producing medical gloves. Workers at these factories have told Finnwatch, that the authorities had issued them passports without a proof of date of birth, simply using the details that the applicants gave the authorities themselves.³⁴ In other words, their passports were official documents but contained incorrect information. Finnwatch acknowledges that this makes the issue of underage workers difficult for the employers to tackle.

Finnwatch recommends that when children under 18 are found to be working at a factory, they are not dismissed but that management ensures that the work they are assigned to do does not affect their health and personal development or interfere with their schooling, and that they can make a living within reasonable working hours.

3.7 DISCRIMINATION; WORKERS ARE NOT HEARD

According to the interviewees, the supervisors at Zenith Infant Product behave in a discriminatory manner towards migrant workers, and often scolded the workers with harsh words. The workers said that they feel under pressure to work harder and faster and that they are sometimes "treated like animals" by their Thai supervisors. The only exception is during audits, when things at the factory slow down and supervisors became friendlier towards the workers.

The workers were also critical of the Zenith Infant Product translator who they thought did not translate properly during audits.

The workers interviewed for this report were not aware of any other workplace committee, and felt that the welfare committee at Zenith Infant Product was inactive and did not represent the interests of migrant workers.

In their response, Zenith Infant Factory denied all allegations of discriminatory treatment towards migrant workers. According to the company, there is also a supervisor who is from Myanmar at every department who helps the migrant workers to communicate.

³⁴ See for example Finnwatch, 2014, *Huolenpitoa käsistä, ei työntekijöistä: Työolot Siam Sempermedin käsinetehtaalla*, available at http://finnwatch.org/images/semperit_fi.pdf (in Finnish)

4. CASE: Great Oriental Food Products

Great Oriental Food Products Co Ltd (Great Oriental) produces canned fruit and vegetables, including mango, pineapple, bamboo shoot and baby corn.³⁵ Their factory is located close to the Myanmar border in Mae Sot, Tak province, Thailand. According to the company response, as of December 2015, Great Oriental had 24 Thai employees and 56 registered migrant workers from Myanmar. The number of workers employed at Great Oriental appears to vary according to the amount of raw material available.

Tokmanni has made one purchase of Great Oriental own brand Ata mango in January 2015.³⁶ As of November 2015, canned Ata mango slices remained for sale at Tokmanni stores in Finland.³⁷

Tokmanni made the purchase via Sea Value Europe, a sourcing company based in the Netherlands. Sea Value Europe is part of the Sea Value PLC, a Thailand based tuna producer.³⁸ According to Sea Value Europe, they aim to ensure that the working conditions in their purchasing chains meets international labour rights standards.³⁹

According to Sea Value Europe, the company began their purchases from Great Oriental "some years ago" after they had confirmed that the Great Oriental produced products met Sea Value Europe's criteria

for product quality. At the time, Sea Value Europe also recommended to Great Oriental to work towards the criteria in the BSCI Code of Conduct. According to Sea Value Europe, despite their original agreement to do so, Great Oriental made little progress towards realising this goal prompting Sea Value Europe to cease purchases from Great Oriental "some half year ago". According to Sea Value Europe, they would only consider making purchases from Great Oriental again when they have become fully compliant with the BSCI standard.⁴⁰

According to Great Oriental, the company's exports to Finland account for less than one per cent of their total exports. In their response, they note that they export to Finland only when the regular suppliers of Finnish buyers fall short in supply of a similar or equivalent product.

4.1 METHODOLOGY

For this report, MWRN interviewed altogether 10 workers from Great Oriental in October 2015. Of these, nine were current employees whereas one had already left the company.

All interviewed workers were migrant workers from Myanmar. At Great Oriental, they worked in various departments including cutting, chopping and labelling. Four of them had been working at Great Oriental for more than a year (with some up to six years) whereas others were more recent recruits.

As above, the interviews were conducted off-site and in Myanmar language. Interview questions focussed on the recruitment process, employment relations and working conditions at Great Oriental as well as the living conditions. The research team also reviewed pay slips and workers' Great Oriental ID cards.

35 Great Oriental Food Products Co Ltd, Products, available at <http://www.greatoriental.com/PRODUCT.htm> (accessed on 15 November 2015)

36 Tokmanni, Outi Mikkonen, email on 6 November 2015

37 Finnwatch visited two Tokmanni stores in Helsinki of which one sold Ata mango.

38 Sea Value, The World's Leading Tuna Manufacturer, available at [http://www.seavalue.eu/content/23691/download/clnt/55574_Sea_Value_-_Company_Profile_\(Small\).pdf](http://www.seavalue.eu/content/23691/download/clnt/55574_Sea_Value_-_Company_Profile_(Small).pdf). Finnwatch has previously reported on social responsibility of supermarket private label tuna produced in Unicord factories which are also part of the Sea Value PLC. For more information see Finnwatch, 2015, Improvements at Tuna Fish Factories in Thailand, available at [http://www.seavalue.eu/content/23691/download/clnt/55574_Sea_Value_-_Company_Profile_\(Small\).pdf](http://www.seavalue.eu/content/23691/download/clnt/55574_Sea_Value_-_Company_Profile_(Small).pdf). Tokmanni also sells tuna produced by Unicord.

39 Sea Value, The Ethical Trading and Social Policy, available at http://www.seavalue.eu/content/23691/download/clnt/55577_Sea_Value_-_Ethical_Trading_And_Social_Policy.pdf

40 Andre Quist, Sea Value Europe, email on 9 November 2015

The interview findings were shared with Tokmanni, Sea Value Europe and Great Oriental prior to the publication of this report. Both Tokmanni and Sea Value Europe in their responses referred Finnwatch to Great Oriental. Great Oriental's responses to the allegations of human rights violations at their Mae Sot factory are included into this report.

4.2 UNDOCUMENTED WORKERS, NO CONTRACT OF EMPLOYMENT

Many Great Oriental factory workers are undocumented migrant workers from Myanmar. None of the workers interviewed for this report had any government issued ID cards, visas or work permits and seemed to be working in Thailand irregularly.

According to the workers interviewed for this report, some Great Oriental workers commute to work at Great Oriental from Myanmar, crossing the border daily. According to the workers, the daily commute across the border is arranged for by the company.

The field research team called the Great Oriental company pretending to be migrant workers looking for work in order to confirm that it was indeed possible to take up employment at Great Oriental without documentation. Great Oriental staff on the phone confirmed to the research team that a Myanmar worker without any documents could come to apply for work there.

All interviewees said that they had had to pay no recruitment fees to obtain work at Great Oriental. None of the interviewees suggested that they had needed to pay any corruption related fees either, or that they had ever been harassed by the border control authorities or detained at border areas.

According to Great Oriental, they do sometimes employ migrant workers who are awaiting registration although in their response, the company specified that at the time of the response, they did not have any such migrant workers in their workforce. Mae Sot is one of Thailand's Special Economic Zones (SEZs), and according to the company they are

making use of relaxed migrant worker employment policies that apply to the SEZs only and allow employment of workers without a work permit pending annual registration.

The company did not provide Finnwatch with details of the relaxed migrant worker employment policies. To Finnwatch's knowledge, although there are specific labour migration policies pertaining to SEZs only, these are not being implemented yet for migrant workers from Myanmar.

In June 2015 Thailand's Office of the Prime Minister approved migrant workers to work in the SEZs by announcement which supplements a regulation of the Working of Aliens Act 2008, and according to which Myanmar nationals who have a border pass⁴¹ can obtain the legal right to work in Thailand for three months. Such workers would still be required to apply for a work permit (valid for 3 months), undertake a health check and purchase medical insurance. Before the regulation is implemented, the two governments are expected to sign a bilateral agreement confirming the arrangement.⁴²

All interviewees who were currently employed at Great Oriental had Great Oriental ID cards but none of them had an employment contract with Great Oriental. Most of them were unclear about what an employment contract was.

⁴¹ Border passes are issued by countries of origin on a local level by district offices of the Ministry of Interior, and they are recognised in lieu of a passport for border crossing between Thailand and its neighbouring countries for nationals of the two countries. They are easy to obtain paper-based documents that do not represent a secure travel document. Border passes are typically valid for one or two years and allow for multiple stays of 3 or 7 days only in the province of entry (the length depends on the local-level agreement between the two countries/provinces involved). They do not officially function as a work permit but it is recognised that one use of the border pass is for daily or short-term work or border trade. Many migrant workers use them as a way to enter Thailand, but then travel on to other provinces or stay for longer periods on irregular status.

⁴² International Organization for Migration staff, by email on 2 December 2015

4.3 ILLEGALLY LOW WAGES

Workers at Great Oriental received either a fixed daily salary or were paid at a piece-meal rate. Some workers interviewed for this report testified to illegally low wages independent of the method of calculation.

Workers who were paid at piecemeal rate reported daily earnings between THB 180 and THB 200 (approximately EUR 4.70–5.30).

Some of the interviewed workers who receive a fixed daily salary reported as low a pay as THB 120 (approximately EUR 3.20) per day. The daily salary rate appeared to be linked to the person's length of service at the factory.

The amount of overtime pay appeared to be similarly linked to length of working at the factory. The lowest reported overtime pay rate was just THB 12 (approximately EUR 0.30) per hour.

According to all interviewed workers, overtime at Great Oriental was voluntary. The workers suggested that the amount of overtime depended on the availability of raw material. When there was plenty of raw material available, the factory might remain open until 1am although this was not common. The normal working hours at the factory are, according to the workers, from 8am to 5pm, and the typical amount of overtime, when there is any, around three to four hours per day. According to the workers, the factory is frequently open seven days per week.

According to the interviewees, workers are given an hour's break before significant amounts of overtime as well as free food and snacks.

In total, some workers reported weekly earnings of around THB 1,000 (approximately EUR 26.40) for a seven day working week. Workers said that they did not understand how their monthly salary was calculated.

The pay slips reviewed by Finnwatch indicated weekly earnings between just THB 330 and THB 910 (approximately EUR 8.70–24). The pay slips which were approximately 1x10cm in size, only showed the person's name, the worker's number, and the amount

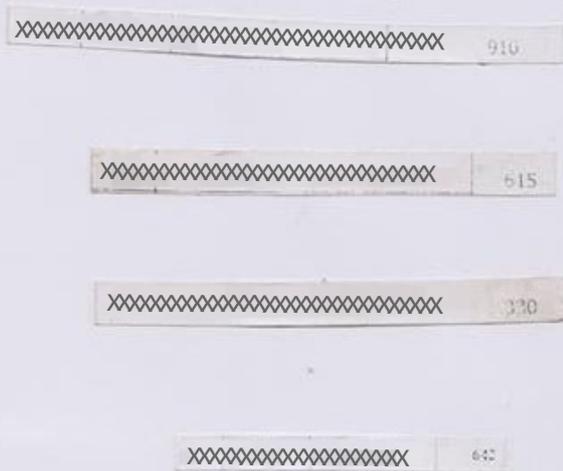
they had been paid. The pay slips contain no information of days worked, the amount of overtime, or possible deductions. Therefore, it is impossible to ascertain the daily salary or overtime rate from the pay slips.

According to Great Oriental, the company pays their workers the national minimum wage and the workers have one day off per week. Great Oriental did admit that they may not be providing the workers sufficient detail on pay slips and promised improvements to salary information provided to the workers.

The amounts observed in pay slips do not correspond with minimum wage amounts, however. National minimum salary in Thailand is THB 300 (approximately EUR 7.90) per eight hour working day. The working week in Thailand is generally six days a week. If a worker works on Sunday, they should receive double pay for that day. For a six day working week, the national minimum salary is therefore THB 1,800 (approximately EUR 47.50) and Sunday pay THB 600 (approximately EUR 15.80). The legal minimum compensation for overtime is THB 56 (approximately EUR 1.50) per hour. Had the workers whose pay slips were reviewed been paid the minimum wage, they would have been working approximately between one and three days a week which seems unlikely in view of the workers' testimony.

None of the workers reported any deductions from their salaries. The workers however did report that they had to purchase and pay for themselves a full set of work clothes when starting employment at Great Oriental. According to the workers, the clothes must be purchased from the factory. The cost of a pair of shoes is around THB 145, two to three t-shirts THB 200–300, an apron THB 35, hat THB 45, and gloves THB 35, totalling around THB 460–560 (approximately EUR 12.10–14.80).

In their response Great Oriental confirmed that workers must purchase their uniforms themselves. They suggested that they will review this practice and in the future provide the workers with uniforms free of charge.



Examples of pay slips at Great Oriental. The tiny pay slips include scarce information - just the person's name, their worker's number and the amount they have been paid. The personal details in these samples are blurred to protect the workers' identity.

4.4 UNDERAGE WORKERS

In interviews with the workers, it was suggested that children as young as 15 were employed at Great Oriental. The interviewees' Great Oriental ID cards, that all staff is required to carry with them when working and which includes information such as name and age of the worker, seen by the research team, confirmed this. The fact that Great Oriental has issued ID cards that state the worker's age as 15 suggests that Great Oriental is knowingly employing minors as young as 15. Although this is in line with the minimum legal working age in Thailand, under 18-year-olds should be entitled to an hour break per every four hours worked and should not be assigned overtime work.⁴³ According to the interviews with the workers, underage workers at Great Oriental were however not given such breaks and they regularly worked overtime.

Some of the workers interviewed for this report estimated that there were less than ten children working at the factory although their exact number remains unclear.

In their response, Great Oriental said that the factory only employs over 18-year-olds and that if there was a reason to suspect that some of the workers were underage, they would be sent to a government-run hospital for the purposes of verifying their age. None of the interviewees mentioned any such examinations and neither Finnwatch or MWRN has documented such practice elsewhere in Thailand. Forensic examinations to determine the age of a person tend to have a margin of error of several years.⁴⁴

4.5 PROBLEMS WITH HOLIDAY PAY, SOCIAL SECURITY

Although workers did not report problems with being able to take time off, some said that they did not receive holiday pay for either annual or traditional holidays.

43 Thailand, 1998, Labour Protection Act, Chapter 4 – Child Labour. Unofficial English translation available at <http://www.ilo.org/dyn/natlex/docs/WEB-TEXT/49727/65119/E98THA01.htm> (accessed on 30 November 2015)

44 It is unclear how the hospital would verify the age of the workers. For example in Finland, in case of asylum seekers whose age is unclear, a forensic examination may be used as one of the methods for determining the person's age. Examination methods most commonly used include dental and carpal bone age determination by x-ray and clinical examination, although the accuracy of such examinations has been criticised for wide margin of error (up to four years). Such examination can only be done with the person's voluntary consent.

Workers reported that in addition to their salary, they received an incentive pay of around THB 400–500 (approximately EUR 10.60–13.20) per month if they didn't take any holiday and a yearly bonus of around THB 200–500 (approximately EUR 5.30–13.20), as well as lucky draw gifts, to mark the Chinese New Year.

As the interviewed workers were undocumented, they were not eligible for Thailand's Social Security Scheme. Although irregular migrant workers have been able since 2013 to opt-in to a government run migrant workers' health insurance scheme, none of the Great Oriental workers interviewed for this report were members of any health insurance scheme.⁴⁵

According to the workers, if they did get sick or had other health problems, their employer would take them to a hospital free of charge. However, some workers reported no sick pay for days off sick and the free-of-charge hospital seemed to be a community health charity and not the hospital itself.

According to Great Oriental, the company provides workers basic medical care on-site. In severe cases, they will be taken to a government-run sub-district or district hospital although the workers can also choose to use NGO-run clinics that are specifically aimed at migrant workers. The company also states that all its registered workers are members of the migrant health insurance scheme. As none of the workers interviewed for this report were registered, Finnwatch is unable to confirm this.

4.6 NO DISCRIMINATION BUT WORKERS ARE NOT HEARD

None of the workers interviewed for this report had heard about a welfare committee at Great Oriental. A welfare committee is a legal requirement at Thailand's workplaces with fifty or more employees.⁴⁶

According to Great Oriental, there is a welfare committee at the factory which they say has both Thai and Myanmar nationals as its members.

None of the workers said that they had been told to lie to auditors during their visits although according to some, the visiting auditors never spoke to the workers anyway.

None of the workers interviewed raised any issues regarding discriminatory treatment at Great Oriental. Interviewees expressed that the food provided in the factory canteen, and accommodation provided to workers who needed it, were of satisfactory quality.

45 The enrolment fee to the migrant health insurance scheme is THB 2,100 (approximately EUR 55.40), consisting of a health exam fee (THB 500) and the insurance for one year (THB 1,600). For more information see International Organization for Migration, 2014, Migration Information Note 24, available at <http://th.iom.int/index.php/migration-resources/facilitating-migration/migration-information-notes/Migration-Information-24-ENG/> (accessed on 30 November 2015)

46 Thailand, 1998, Labour Protection Act, Article 96. Unofficial English translation available at <http://www.ilo.org/dyn/natlex/docs/WEBTEXT/49727/65119/E98T-HA01.htm> (accessed on 30 November 2015)

5. Conclusion

Tokmanni provided Finnwatch with information regarding its private label and own imports supply chains openly and has facilitated the gathering of additional information such as responses from its suppliers to the allegations covered above in a cooperative manner.

According to Tokmanni Group, the company require their regular suppliers in risk countries to commit to the BSCI Code of Conduct and that such commitment is a requirement for any new purchasing agreements. The Group also says that it takes time to implement its responsible purchasing principles throughout purchasing operations as both the company purchasing structure and approach have been revised in 2013, and that they are reviewing their existing suppliers according to the suppliers' risk level.

Tokmanni made the purchase from Sea Value Europe, who supplies Great Oriental products to Tokmanni, in January 2015 and from Scandinavian Baby Products, who supplies Zenith Infant Product products to Tokmanni, in October 2014 and May 2015.⁴⁷ Both Great Oriental and Zenith Infant Product are based in Thailand, a risk country. In both cases, Tokmanni made the purchases from these suppliers via another supplier who is not a BSCI member. According to Tokmanni, they have now urged Scandinavian Baby Products to join BSCI, and in the case of Sea Value Europe, they continue work on social responsibility issues in cooperation with other BSCI members, but in both cases the purchases from the suppliers in Thailand were one-off in nature.⁴⁸

One-off purchases are particularly problematic from the business and human rights perspective as without a long-term relationship, the buyer cannot use their leverage to encourage their suppliers to continuously improve working conditions. At the same time, the producer has little incentive and security to make investments towards improved conditions. Furthermore, in the case of Zenith Infant Product and Great Oriental, by making one-off purchases from these suppliers whose business practices and working conditions were unknown in detail to Tokmanni, Tokmanni has become involved with adverse human rights impacts.

Although the Finnwatch research findings suggest that Zenith Infant Product complies with most labour and social protection laws of Thailand, migrant workers there were seriously indebted due to extortionate recruitment and documentation fees. At Great Oriental, migrant workers had no visas or work permits and were paid illegally low wages.

As a retailer, Tokmanni's responsibility to respect human rights covers in particular its private label products and own imports. Finnwatch research findings suggest that Tokmanni has failed to adequately assess the risks associated with its suppliers and in exercising human rights due diligence in its own imports supply chains.

⁴⁷ The first batch was disposed for product quality reasons. Tokmanni, Outi Mikkonen, by email on 1 December 2015

⁴⁸ Tokmanni, Outi Mikkonen, email on 18 August 2015, 6 November 2015 and 1 December 2015

6. Recommendations

TOKMANNI GROUP SHOULD

- sign in to the Shared Vision for Respecting the UN Guiding Principles on Business and Human Rights in Grocery Trade Supply Chains between Finnish grocery trade, NGOs, labour organisations and public officials;
- ensure that its purchasing principles are efficiently implemented throughout the Group's purchasing activities, including all new one-off purchases;
- seek to build long-term relationships with its suppliers;
- include in its purchasing contracts with suppliers the principle of no recruitment related fees charged to the worker. The employer should bear the full cost of recruitment⁴⁹;
- fully incorporate into the Group's policies and practices the BSCI terms of implementation for members⁵⁰, in particular due diligence in the supply chains. Specifically:
 - exercise human rights due diligence over the entire supply chains of its private label and own imports products;
 - carry out a comprehensive human rights risk assessment of its private label and own imports products, and prioritise further action to countries and/or industry sectors identified as high risk;
- assess the social responsibility policies and practices of its private label and own imports products' suppliers before a purchasing contract is entered into;
- when using the services of a third party auditor to monitor its suppliers, Tokmanni should ensure that the audit adequately covers the established human rights risks for the sector such as recruitment fees and illegally low wages in the case of Thailand's export industry sector, especially at production facilities situated at border or remote Special Economic Zone areas. Auditors should ensure their audits include off-site interviews with workers, including workers belonging to vulnerable groups such as migrant workers. Auditors should use their own interpreters and not rely on often unreliable company interpreters.

⁴⁹ See for example International Labour Organisation Convention 181 on Private Employment Agencies; Institute for Human Rights and Business, 2015, The Dhaka Principles for Migration with Dignity, available at <http://www.dhaka-principles.org/> (accessed on 30 November 2015); and Social Accountability International, 2014, SA8000 International Standard: Social Accountability Requirements (Chapter IV), available at http://sa-intl.org/_data/n_0001/resources/live/SA8000%20Standard%202014.pdf

⁵⁰ BSCI, 2014, Terms of Implementation for Participants, available at http://www.fta-intl.org/sites/default/files/Terms%20of%20Implementation%20for%20BSCI%20Participants_final%20version_2014Feb03.pdf

ZENITH INFANT PRODUCT SHOULD

- adopt a responsible recruitment policy which should explicitly state that the employer covers the full cost of recruitment and job placement. The policy should be shared with each of the company's employees in writing in their own language, and it should be incorporated into contracts that Zenith Infant Product has with recruitment agencies. The company should monitor the conduct of the recruitment agencies it has contracted, and cease using their services should they be found to be charging fees to the workers;
- in view of lack of licensing of recruitment agencies by the relevant authorities, only enter in to a contract with recruitment agencies that are known and have a track record of being reliable;
- take remedial action to pay back with interest to the workers the money collected by its human resources staff from the workers towards recruitment and documentation fees;
- ensure that all its workers are given a written employment contract in a language that they understand that explains in a clear and comprehensive manner the terms of employment at the Zenith Infant Product factory;
- ensure that all its workers are given a written pay slip in a language that they understand and with complete details about overtime work and pay;
- revise the annual leave and sick pay provisions so as to bring them in line with Thai laws;
- initiate an independent and impartial investigation into the allegations of discrimination against migrant workers and arbitrary punishments such as withholding overtime for an error and illegally deducting salaries for goods damaged during protection, and act on the findings of such investigation including by taking appropriate corrective action;
- continuously work to improve working conditions in the factory to meet with international human rights standards, for example by calculating and implementing a living wage and limiting the amount of overtime;
- ensure that membership of the workers' committee is also open to migrant workers; migrant workers must be supported and encouraged to join the committee;
- improve the interpretation services offered by the factory;
- ensure that all its workers have safe channels through which to report possible grievances.

GREAT ORIENTAL FOOD PRODUCTS SHOULD

- immediately review the pay scale at the factory so as to bring it in line with at least the national minimum wage and the Labour Protection Act in Thailand. The long-term objective should be to calculate and implement a living wage;
- pay back to the workers the difference with interest between their actual pay and the minimum national wage since its introduction in January 2013;
- ensure that all its workers have the legal right to live and/or work in Thailand so that they are covered by Thailand's labour protection and social security laws;
- ensure that in the process of regularising its workforce, the company bears all costs such as for example the cost of necessary visas, work permits and a health check;
- adopt a responsible recruitment policy which should explicitly state that the employer covers the full cost of recruitment and job placement. The policy should be shared with each of the company's employees in writing in their own language;
- ensure that all its workers are given a written employment contract in a language that they understand that explains in a clear and comprehensive manner the terms of employment at the Great Oriental Food Products;
- ensure that all its workers are given a written pay slip in a language that they understand and with complete details regarding the basis on which the pay has been calculated;
- revise the annual leave and sick pay provisions so as to bring them in line with Thai laws;
- ensure that membership of the workers' committee is also open to migrant workers; migrant workers must be supported and encouraged to join the committee;
- ensure that all its workers have safe channels through which to report possible grievances;
- continuously work to improve working conditions in the factory to meet with international human rights standards.

FINNISH AUTHORITIES SHOULD

- advance the national implementation of the UN Guiding Principles on Business and Human Rights in an ambitious manner. The corporate social responsibility work in ministries should not be weakened. The corporate social responsibility action plan that is currently being prepared by the Ministry of Employment and Economy should include provisions for the continuation of the implementation of the already planned activities;
- take steps towards mandatory human rights due diligence as a long-term goal. As a first step towards mandatory human rights due diligence, Finland should support the EU regulation on conflict minerals that is currently being prepared. The experience and know-how gathered from a mandatory, albeit limited, EU-level human rights due diligence regulation would be valuable when expanding the requirement to other industry sectors;
- ensure that the human rights risks related to business operations are taken into account in services provided by the Team Finland network. Companies that purchase or import produce or products from risk countries should also be given information about their human rights responsibilities.



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