



Cooperation On Fair, Free, Equitable Employment

Worker Recruitment and Hiring IN THE COFFEE SECTOR

Verité
Fair Labor. Worldwide.



This booklet was developed with funding from Keurig Dr Pepper (KDP). This booklet includes content adapted from the “Booklet on Recruitment-Related Risks in the Latin American Coffee Sector,” a tool created by Verité within the scope of the Cooperation on Fair, Free, Equitable Employment (COFFEE) Project. Funding for the COFFEE Project is provided by the United States Department of Labor under cooperative agreement number IL-31476-17-75. 100% of the total costs of the COFFEE Project is financed with federal funds, for a total of \$2,500,000. This material does not necessarily reflect the views or policies of KDP or the United States Department of Labor, nor does mention of trade names, commercial products, or organizations imply endorsement by the United States Government.

What is this booklet about?

For many coffee producers, labor brokers are considered essential service providers. Labor brokers can go by many names: recruiters, local agents, team leaders, transporters, and intermediaries, among other terms. Many producers claim that without labor brokers' services, they could not recruit as many workers as they need, especially during the harvest season, when the workload is more intense.

Unfortunately, some labor brokers may engage in illegal or unethical practices that put all parties involved at risk. That is why it is essential to monitor recruitment practices to ensure that the process is conducted legally and that the rights of all parties are respected. This is the best way to avoid problems with labor inspectors and clients, especially local and international coffee buyers.



Cornelia Pithart/Shutterstock

Labor Shortages

It is common for coffee farms to hire temporary migrant workers during peak production seasons, especially the harvest. The shortage of local workers and high turnover rates means that there is a lack of experienced workers in many areas, leading producers to hire workers from other regions and even other countries. Hiring and paying workers is often the most significant cost for coffee producers. However, paying low wages and providing poor working conditions to workers is not an option. Unfair and illegal labor practices only make labor shortages worse, pushing workers toward other sectors that offer better conditions and wages.

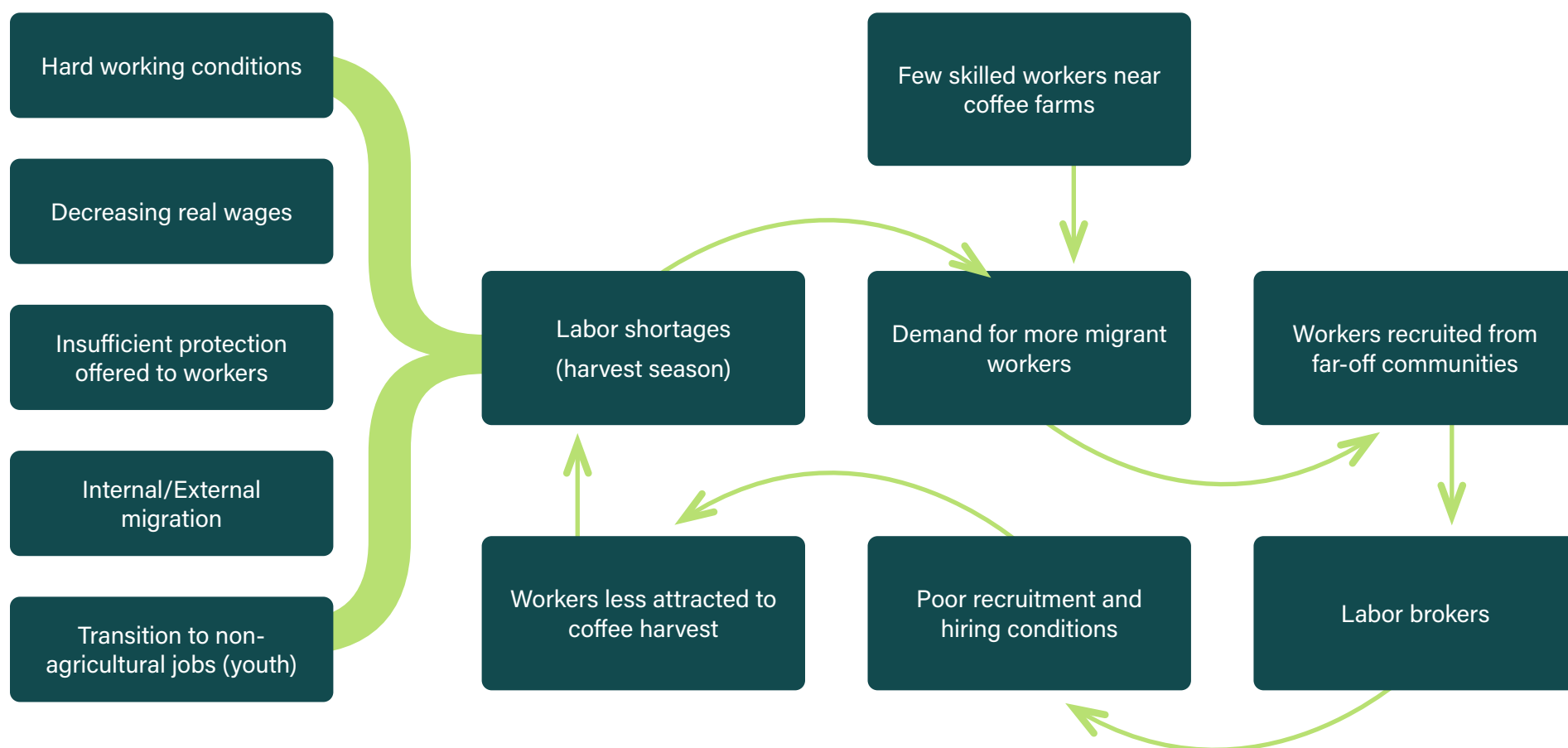


Is this how it works on your farm?



Labor Migration

Temporary workers are often not formally hired by the producers, but are instead hired informally, without contracts, and thus have a hard time ensuring that their rights are guaranteed.



Risks Related to Recruitment



Labor Brokers

Workers may be recruited by the owners of the farms, their employees or representatives, or by labor brokers. Some brokers only recruit workers, while others also transport, oversee, and, in some cases, pay them. However, subcontracting recruitment, and especially supervision, may lead to considerable risks of labor violations. For instance, labor brokers may:



Risks Related to Labor Brokers



RECRUITMENT

- Recruitment fees
- Document retention
- Deception about the nature of work
- Deception about conditions of work



TRANSPORTATION

- Upfront charges
- Payments for transportation
- Crowded or unsafe transportation



LABOR CONTRACT

- No written contract
- Contract not provided in a language the worker understands
- Working conditions differ from those promised during recruitment
- Contracts do not provide workers with clear terms of employment, such as expected earnings
- Contracts require that workers remain on the farm for a certain period of time
- Contracts include threats of penalties or fines for leaving the job



ON THE JOB

- Subjecting workers to:
- Wage violations
 - Working hour violations
 - Sexual harassment
 - Physical abuse
 - Verbal abuse

The Informal Labor Broker

In addition to not registering workers, labor brokers themselves are often unregistered, untrained, and unmonitored. Producers are still liable if labor brokers commit violations.

Labor laws in most countries hold the employer legally responsible for any violations committed by their subcontractors, which include labor brokers. Many large coffee buyers hold employers responsible for their subcontractors' actions, too.

To reduce legal and reputational risk, producers should consider hiring workers directly without intermediaries. In addition to reducing the risk of labor violations, these practices may save money in the long run, improve coffee quality, and increase worker satisfaction, leading to lower turnover rates.

When using labor brokers is unavoidable, coffee producers must screen and monitor them since it is the employer's obligation to ensure they follow all laws and customer standards that apply to them. Take a look at some of the things that coffee producers can do below.

HAS NO:

- Formal contract
- Fixed wages
- Social benefits

PAY CAN BE:

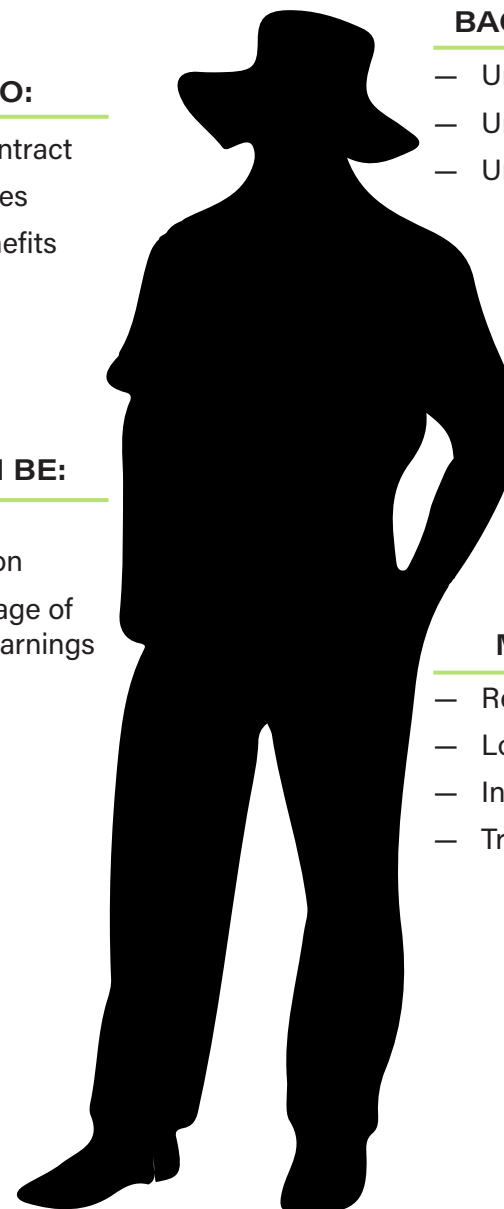
- Based on commission
- A percentage of workers' earnings

BACKGROUND:

- Unregistered
- Untrained
- Unmonitored

MAY BE A:

- Recruiter
- Local agent
- Intermediary
- Transporter



What can coffee producers do to promote ethical recruitment?

- 1** — Ensure that labor brokers do not charge workers for recruitment fees and related costs, including transportation and document processing costs, including upfront costs and deductions from workers' wages.
 - Never take workers' identity documents or other valuable items from them. If possible, provide workers a safe place to store their papers and valuables.
 - Provide all workers with a contract when they are hired, including temporary workers and workers recruited by labor brokers.
 - Contracts must be offered in a language workers understand. It is important to remember that some workers have not completed basic education, and even those who have may still have reading difficulties.
 - Contracts must comply with all relevant legislation and standards. They must include details on the work location and duration; which activities are to be performed, how much, when, and how workers will be paid; how many hours and days they will work; and other relevant information about working conditions.
- 2** Whenever possible, recruit and hire workers directly.
- 3** If using labor brokers is necessary, screen potential brokers before hiring, including by verifying their registration status and carrying out criminal background checks and adverse media screens.
- 4** Interview labor brokers before hiring them, and require labor brokers to sign written contracts that comply with the producer's internal policies before they start recruiting workers.
- 5** Regularly monitor labor brokers to ensure that they operate legally, comply with all relevant legislation and contract provisions, and do not exploit workers.
- 6** Monitor or support monitoring of labor brokers to ensure they are respecting workers' labor rights, and act immediately if any violations are detected.
- 7** Inform workers on how to access complaint mechanisms available to them, such as a committee operated at the cooperative level.
- 8** Remediate complaints quickly and efficiently, while protecting workers who report complaints from reprisals.
- 9** Respect workers' right to form and join unions and other workers' organizations of their choosing.



COFFEE
Project

Verité
Fair Labor. Worldwide.