



RESPONSIBLE SOURCING TOOL

Food & Beverage | Tool 6

PROTECTIONS AGAINST TRAFFICKING IN PERSONS¹

Supply Chain Mapping and Risk Assessment in the Food and Beverage Sector

Supply chain mapping allows a company to trace the chain of custody — and points of accountability — at all levels of production, from harvesting or procurement of raw materials to processing and packaging to final sale. The supply chain for each product — including growers, processors or manufacturers, suppliers, vendors, agents, and traders — will be unique, so supply chain mapping should be conducted on a product-by-product (or service) basis. Identifying first tier or “direct” suppliers is a straightforward process, but it can be more challenging to identify the suppliers’ suppliers, and then their suppliers, comprising the second, third, and lower tiers of the supply chain. In the context of food and beverage supply chains, this means being able to trace products or ingredients back to the farm where crops were grown, animals were raised, as well as to the facilities where food additives and flavorings were manufactured.

The food and beverage sector is characterized by complex supply chains and there is a large degree of variety and diversity among them. Some food and beverage supply chains are relatively short and transparent. For example, some fruit/vegetable products may simply be harvested, packaged, and distributed to retailers. This is more likely to be true for “whole” products (e.g., apples). Where agricultural products are used as ingredients in processed food products, more processing steps are involved, and materials from many different suppliers are likely to be combined at the processing level. Each additional tier of the supply chain can further obscure an ingredient’s origins, leaving little visibility into working conditions along the way.

However, once a supply chain has been mapped, companies are able to assess risk at a variety of levels. This tool provides guidance on assessing risk at the level of country of production and type of production and describes how human trafficking risk might manifest in practice at various worksites in food and beverage supply chains.

¹ The United States recognizes two primary forms of trafficking in persons: forced labor and sex trafficking. For the purposes of this and other tools in the set, several terms are used such as “trafficking in persons,” “human trafficking,” and “forced labor.” In relation to these tools, they refer to a crime whereby traffickers exploit and profit at the expense of adults or children by compelling them to perform labor.

GUIDE TO FOOD AND BEVERAGE SUPPLY CHAIN MAPPING

Most food and beverage companies already conduct some version of supply chain or traceability mapping as part of commercial transactions or contracts and to comply with food safety regulations. Visibility is likely limited to direct suppliers; however, rather than sub-tier suppliers where risk is likely to be higher. A company with a full understanding of its supply chain can more accurately target more detailed risk assessments and interventions, thereby working to mitigate their risk of the worst labor abuses, including human trafficking.

The process of mapping a supply chain beyond direct/first-tier suppliers includes surveying first-tier suppliers to gather information about their suppliers (second-tier suppliers or indirect service providers, such as janitorial staff). Second-tier suppliers can then be queried about their suppliers, and so on, to the bottom of the supply chain. Types of suppliers found in food and beverage supply chains include: ⁱ

- Primary producers/growers/farmers produce agricultural goods or commodities.
- Primary processors transform agricultural goods into ingredients, such as sugar mills. Primary processing may be controlled by the producer of the agricultural good.
- Secondary processors (also referred to as manufacturers) produce finished products and own the brand name, processes, and product specifications. In case of food additives or chemicals, the manufacturer may be the original producer. A “co-manufacturer” transforms food products but does not own the brand name. It supplies finished goods on the basis of contract agreements with food company clients.
- Traders facilitate transactions of agricultural ingredients and commodities between buyers and sellers. They may purchase goods from producers or other brokers and sell to processors. Alternatively, they may control — to varying degrees — agricultural production and processing. (See [Tool 6.1](#) for additional information on the role of traders in food and beverage supply chains).
- Distributors arrange for transfer of goods, but do not produce goods.
- Shippers or transporters physically move goods from one location to another.

In addition to tracing the flow of product throughout the operation, companies should map the involvement of third-party labor providers or recruiters wherever relevant. In some cases, suppliers may hire their labor directly, but in many other contexts, third-party labor recruiters have their own complex chain of sub-recruiters as well as origin

and destination country agents. Through this mapping process, companies can gain an understanding about the geography and structure of their supply chains, which can be used to inform risk assessment efforts (see below).

Information can be gathered from:

- supplier self-assessments/self-reporting
- supplier interviews
- supplier site visits/audits (documents, records)
- receipts and purchase orders

Information to Gather from Suppliers in Supply Chain Mapping Efforts		
		Notes for Risk Assessment
Minimum recommended profile information	Supplier name	
	Supplier headquarters address	
	Location of supplier facilities/worksites (if different from headquarters)	Evaluate risks relevant to country of facilities/work sites (see description below)
	Type of product/service provided (note if product/service provided differs by supplier facility)	Evaluate human trafficking vulnerability tied to type of production (see list of potential risk factors as well as explanation of vulnerability tied to various types of worksites in food and beverage supply chains below.)
Additional recommended profile information	Approximate number of workers hired directly	
	Approximate number of workers hired through sub-contractor/recruiter	Use of third-party labor recruiters or other sub-contractors increases human trafficking risk overall in any given facility. Facilities with a relatively high proportion of sub-contracted workers to directly-hired workers should be prioritized. See Tools 7 and 9 for more information on screening and evaluating labor recruiters.

	Seasonality of production, if applicable (high season/low season, etc.)	Seasonal features of production may suggest increased risk of temporary or casual labor and therefore particular attention should be paid to potential use of labor recruiters (see above).
	Types of jobs at worksite	Prioritize facilities with relatively higher concentrations of low-skilled, low-paid, hazardous or otherwise undesirable work.
	Presence of migrant workers (Y/N)	Migrant workers are particularly vulnerable to human trafficking in many contexts within food and beverage supply chains.
	Origin country of migrant workers present	Evaluate risks relative to country of labor supply.

Once a map of suppliers is assembled, a company can begin to identify geographic regions, products, or particular suppliers most likely to have elevated human trafficking risk in their operations. A solid initial approach to risk screening involves evaluating the risks associated with the economic sector or industry in question, in combination with an appraisal of the risk factors associated with the countries in which the supply chain operates or from which it draws its workforce.

Ideally, a company will assess the risks of a specific supply chain in a specific geographic location. For example, while a country overall may have low rates of migrant workers, migrant workers may be concentrated in certain types of industries (such as agriculture or manufacturing.) Examining supply chain and country in combination also allows for a more thorough review of incidents of exploitation previously documented.

In supply chains characterized by sector, location-based human trafficking risk, or both location and sector, companies should exercise heightened due diligence through efforts to enhance visibility into individual supplier practices.

POTENTIAL RISK FACTORS IN FOOD AND BEVERAGE SUPPLY CHAINS

Country-based Factors to Consider When Assessing for Risk in Food and Beverage Supply Chains

1. Legal/Policy Risk Factors (for full outline of legal risk assessment and example, see [Tool 4](#)):
 - a. What level of legal protection for civil liberties and workers' rights does the law provide?
 - b. What ILO Conventions related to human trafficking or rights of workers and migrants have been ratified?
2. Political Risk Factors:
 - a. Level of political instability or conflict
 - b. Level of crime and violence
 - c. Level of state persecution
 - d. Level of corruption
3. Socio-economic Risk Factors:
 - a. Presence and concentration of migrant workers
 - b. Presence of migrant workers from vulnerable countries
 - c. Level of national economic development
 - d. Level and extent of poverty
 - e. Degree of gender inequality
 - f. Degree of landlessness and dispossession.

Sector-based Factors to Consider When Assessing for Risk in Food and Beverage Supply Chains

1. Structural Supply Chain Features Which Enhance Vulnerabilities to Human Trafficking:
 - a. Long, Complex, and/or Nontransparent Supply Chains
 - b. Seasonal Surges in Labor Demand
 - c. Short Production Cycles
 - d. Undesirable and Hazardous Work
2. Vulnerable Workforce:
 - a. Child Labor
 - b. Migrant Labor
 - c. Casual Labor
 - d. Gendered Dynamics of Production

- e. Restricted Freedom of Association
- f. Indigenous Populations
- g. Hereditary/Traditional Slavery
- h. Presence of Labor Intermediaries

Following are topics that have emerged as key cross-cutting risk issues in food and beverage supply chains — agriculture in particular. Further information on those factors is provided below:

Gender: In countries with high degrees of gender inequality, women typically have fewer rights and legal protections than men and less access to the education necessary to obtain high-skilled jobs. Women in gender-unequal societies are often structurally dependent on men for financial security and access to land, leaving those who lack access to male protection or wealth (for example, widows, unmarried women, and girls from poor families) with few resources of their own with which they might rely and thus resist being forced into undesirable or hazardous jobs, or mistreatment by unethical employers.

Women make up an estimated 25 percent of waged agricultural workers in the world and they tend to be concentrated in lower-paid, less-desirable positions. The ILO notes that “sexual violence and harassment among commercial agricultural workers is widespread, perhaps even pervasive, throughout the world.”ⁱⁱⁱ

In informal agriculture, families may work together as units. Income derived from a woman’s work may be directly controlled by her husband or other men in her family, leaving her uncompensated for her labor. Domestic responsibilities may also prevent women from benefiting fully from their labor. In many rural areas, women are responsible for much of the subsistence food production, which can hinder their participation in cash crop production or other economic activities that could reduce their vulnerability to exploitation and human trafficking. Even when women contribute significantly to cash crop production on family farms, they may still be prevented from accessing revenues from the sale of these crops by cultural norms dictating that men control sales transactions. Limited access to land, credit, and capital can all constrain women’s ability to gain economic security.

Large-Scale Land Acquisition: Large-scale land acquisition or consolidations, sometimes referred to as land grabs, often leave local populations without livelihood options. The loss of land for subsistence agriculture, cash crops, or other traditional livelihoods can create a local labor force that must either accept work for

the company operating on the acquired land or migrate out of the area in search of work to earn money to buy food. Risk of exploitation for these locally-displaced populations is increased when land is acquired through coercion, deceit, or other forms of pressure. Women and indigenous groups may be at increased risk for displacement as their property rights are often less well-protected or acknowledged under some national legal property regimes. This is particularly true in countries where land tenure systems create confusion and opacity around land ownership (often dual systems with traditional and official forms of tenure operating in parallel). This ambiguity can then be exploited by corporate and/or state actors to facilitate the acquisition of local lands for commercial concessions. Connections between large-scale land acquisition by both foreign and domestic companies have been tied to government corruption in some countries.

Sectors that require large, consolidated areas of land, such as commercial agriculture, are more likely to be associated with large-scale land acquisition. For example, development of estate and outgrower-based production for crops such as sugar or tea has been associated with forced evictions or coercion to participate in outgrower schemes, and land acquisition for palm oil or other commercial plantation development has also received significant attention.

Environmental Degradation: Environmental issues — whether directly related to global supply chains or already existing in the country in question — can displace people from their land, disrupt traditional livelihood strategies, cause illness, and generally increase the vulnerability of local populations. People experiencing or having survived recent environmental catastrophes have often lost all or most of their personal resources and may be physically or emotionally traumatized. Such populations are at increased risk of vulnerability to human trafficking and other forms of exploitation. Deforestation, the collapse of fisheries, recurring drought, or disease of staple crops may also lead to greater risk for human trafficking. Such hardships are known to lead to pervasive poverty and insecurity among the populations who depend on the affected resource bases. Human trafficking risk caused by such environmental factors will likely increase over time as a result of ongoing climate change. Environmental issues associated with global economic activity can also contribute to conflict and political instability. For example, water usage associated with commercial agriculture can negatively impact local populations and conflict can ensue.

Assessing Risks of Individual Suppliers

After a company has developed a working supply chain map (see pages 18-20), they should seek to gain insight into the actual practices of individual suppliers and the labor recruiters those suppliers engage, if relevant. The following tools provide guidance on conducting these risks assessments:

1. Sample Supplier Self-Assessment Questionnaire ([Tool 8](#))
2. Labor Recruiter Screening Tool ([Tool 7](#))
3. Labor Recruiter Evaluation Tool ([Tool 9](#))
4. Sample Migrant Worker Interview Tool ([Tool 10](#))

DESCRIPTION OF POTENTIAL HUMAN TRAFFICKING RISK BY TYPE OF WORKSITE IN FOOD AND BEVERAGE SUPPLY CHAINS

To understand human trafficking and other labor risks at the level of production, it is important to understand the wide variety of worksites along the supply chain, each of which, in turn, can engage a heterogeneous group of workers. Each type of worksite has a different risk profile for workers.

Agricultural/Raw Material Production

Overview

Agricultural producers can range widely in terms of scale and modernization from small family farms — typically producing largely for subsistence needs — to large-scale commercial plantations. In addition, there are a variety of farm management models. The two primary types are contract and independent farm management. On contract farms, a larger company provides inputs to individual farmers, dictating terms such as quality and contracts to purchase a set amount. In a centralized model with vertical integration, the company relies on a centralized processor or packer. This model is typically used for tree crops, dairy, poultry, and other hand-harvested crops that require some level of initial processing. In the nucleus or estate model, in addition to a centralized processing or packing plant, the larger company also maintains a plantation to supplement harvest from contracted smaller producers. Smaller producers may also make more informal, temporary contracts with purchasing companies or sell directly to unaffiliated intermediaries. This range of management models has implications for supply chain transparency as well as the ability to cascade social expectations — including protections against trafficking in persons — to the lowest tiers of the supply chain.

Trafficking in Persons Risks in Agriculture/Raw Materials Production: Vulnerable Workforce; Presence of Labor Recruiters; Prevalence of Migrant Workers; Seasonal Nature of Work; Hazardous Work.

The labor on farms, regardless of farm management type, can include different categories of workers, who may have varying levels of vulnerability to trafficking in persons.

Approximately 40 percent of workers in agriculture supply chains globally are hired workers. Permanent waged workers are engaged directly by growers. Particularly on farms producing goods in a seasonal cycle, there is relatively little need for permanently engaged staff, so numbers of permanent workers tend to be lower across the sector. Seasonal/temporary workers in agriculture are often engaged via a third-party labor recruiter. Seasonal and/or temporary work is tied to high rates of turnover among workers in the agricultural sector, which can create challenges for workers in terms of advocating for their rights or expressing grievances.

Large farms and plantations with considerable staffing needs are also more likely to rely on third-party labor recruiters,ⁱⁱⁱ which can increase vulnerability to human trafficking. The mechanisms of labor recruiter-induced human trafficking vary depending on countries and contexts; however, there is often deception about the nature of the work and various fees that are deducted from the workers' wages.^{iv} Some recruiters work for large formal operations and have their own subcontractors, while others are individuals operating independently.

In the agricultural context, recruiters — often referred to as farm labor contractors — often manage workers on site and provide housing and transportation. The presence of these labor contractors creates a barrier between farmers and the workers on their farms, leaving workers vulnerable to sub-minimum wages, high deductions, and unsafe housing and transportation. Even when employers pay labor recruiters the minimum wage per each worker employed, these payments are often not passed on to workers by the labor recruiters, who take excessive deductions for transportation, housing, food, and other services. There have also been cases in which labor recruiters have threatened and beaten workers who have tried to leave their employer.^v Additionally, labor “cooperatives” may sometimes act as employment agencies.^{vi} These are not cooperatives in the traditional sense, in which small and medium enterprises jointly maximize their marketing potential; rather, these worker cooperatives recruit workers into a larger labor pool and contract this labor out to plantations or other employers.^{vii} In such cases, the cooperative functions similarly to an employment agency or labor

recruiter. The worker's employment relationship is with the cooperative, not the plantation.^{viii}

Small-scale farms hire labor but are more apt to operate informally. While they are likely to hire directly, their level of informality may bring its own challenges in terms of worker protection. For example, those that hire only a few workers on a temporary basis may rely on verbal agreements in place of contracts. Family labor is most likely to be found on relatively smaller, family-owned farms. This can include the producers themselves, spouses, and children of producers. While there is limited risk of trafficking for producers that rely on family labor, depending on the geographic context, there may be a risk of associated issues such as child labor.

The ILO estimates that 60 percent of all children engaged in child labor work in agriculture^{ix} and most of those are unpaid family members on family farms, although a segment of that population works alongside their parents in waged agricultural jobs or in waged agricultural jobs independently of their parents. Children may be more likely to work on farms during peak labor periods, such as planting and harvesting.^x When harvests overlap with the school year, children often leave school, at least temporarily. Particularly when migrant families move following crop cycles, children do not have an opportunity to stay enrolled in school.^{xi}

Smallholder farmers themselves face myriad challenges, including lack of access to markets, lack of capital for input purchases, high marketing costs, and limited resources, including labor and land.^{xii} Further, farmers face price volatility — particularly of commodity crop prices — and in some years, they may operate on extremely slim or even negative profit margins.^{xiii} Farmers may face increasing debt as they take out loans — possibly at disadvantageous terms — to finance their operations. Indebted farmers may be more likely to rely on unpaid family labor, including child labor.^{xiv}

Farm owners may engage tenant or sharecroppers to work on their land under a profit-sharing agreement that can vary depending on context. It is important to note that these tenant farmers or sharecroppers may also engage the work of their families or hired workers. Tenants or sharecroppers in rural areas are typically landless themselves and lack access to credit or capital. They may be expected to pay for inputs, creating cycles of debt with the landowner and further incentivizing use of inexpensive vulnerable labor.^{xv}

Regardless of type of engagement, there is a high degree of migrant labor in agriculture production, particularly in relatively economically prosperous countries; the migrant

worker population tends to be composed of transnational migrants from poorer countries.^{xvi} In developing economy countries with higher rates of subsistence agriculture, there are lower rates of transnational migrants, but there are large numbers of internal migrants in the agricultural sector. Migrants may settle near a particular farm, “shuttle” between their home and worksite, or follow crop-harvesting cycles from farm to farm.^{xvii} In some cases, migrant workers may work in subsistence agriculture on their own land during part of the year and migrate to larger farms or plantations during labor-intensive harvesting seasons.

Contract farming refers to “agricultural production and marketing carried out under a previous agreement between producers and their buyers.”³

While contract farming can offer benefits to producers, they may face risks, such as potential indebtedness from buyer-provided loans. For more information, see a resource from the U.N. Food and Agriculture Organization: www.fao.org/3/a-i7581e.pdf

Wages are often lower than in other sectors and are often paid on a piece-rate or quota basis. Piece-rate wages (paid by volume, weight, or number of products harvested) create a risk that workers will be paid extremely low wages, possibly under the legal minimum wage. Further, piece-rate wage structures create disincentives to take breaks, increasing the risk of heat-related illnesses. Quotas may lead to financial penalties for workers who fail to meet them. Both piece-rate and quota wage structures also encourage workers to use family labor or informal sub-contracted workers, including children.

Women produce half of the world’s food and up to approximately 90 percent of staple crops, primarily as smallholder or subsistence farmers.^{xviii} However, most women lack access to credit, inputs, markets, training, and tools^{xix} — and much of women’s labor in agriculture is unpaid. In the case of family labor, even when a woman is responsible for the majority of the planning and labor, she may be required to cede control of the profits to her husband. As hired wage labor on larger farms, women may work towards their husbands’ quotas or piece-rates, never receiving their own pay. There is strong evidence that female farm workers face high rates of sexual abuse and harassment, often at the hands of farm labor contractors, who oversee workers’ hours, wages, and living arrangements. Fear of retaliation or deportation strongly discourages women from reporting this abuse.^{xx}

According to the ILO, agriculture is one of the most hazardous sectors in the world, accounting for approximately half of all fatal accidents. The ILO notes that rates of accidents have stayed relatively steady in agriculture, even as they have fallen in other fields. Further, because of the casual nature of much of the agricultural sector, actual rates are likely to be much higher due to a lack of monitoring and the fact that many accidents go unreported.^{xxi}

Although specific risks vary depending on the crop or sector, general risks include physically demanding work, exposure to extreme weather, carrying heavy loads, repetitive motions, use of dangerous tools and equipment, exposure to pesticides and agrochemicals, animal attacks, and working at heights. Because of the hazardous nature of the aforementioned work, child labor in the sector sometimes falls under the worst forms of child labor. It must be noted that not all child work in agriculture constitutes child labor or worst form of child labor — this is particularly the case on farms where work is light, tasks are age-appropriate, and work does not interfere with educational opportunities. In many cases, light agricultural work is culturally viewed as an opportunity for the child to gain livelihood skills and contribute to the family's food security. However, because of the hazardous nature of many agricultural tasks, the appropriateness of the task is critical.

Processing

Overview

“Processed food” refers to foodstuffs that have been processed, converted, prepared, preserved and/or packaged. This sector also includes beverage production. Highly processed foods, such as snack foods with many ingredients, bread, and cheese are defined as processed foods. Primary processing typically refers to the first step of processing that transforms a raw agricultural commodity into an ingredient, such as sugar or palm oil mills. Primary processing may occur at or near agricultural production and may be controlled by the same owner; it therefore may engage the same labor pool as production. Processing can be mechanized or manual. Types of labor include skilled precision workers, machine operators, line workers, graders, sorters, packagers, supervisors, and managerial staff.

Trafficking in Persons Risks Present in Processing: Vulnerable Workforce; Seasonal Nature of Work; Presence of Labor Recruiters; Hazardous Work.

The majority of production or line positions require little formal education.^{xxii} Due to the low-skilled nature of work and low barriers to entry, many jobs in the sector are held by vulnerable populations, including minority and migrant workers.^{xxiii} In addition to the vulnerability of migrants in the sector, other vulnerable populations tend to be engaged due to the undesirability of the work, particularly meat and poultry processing. There have been cases in poultry plants of labor being supplied by drug and alcohol rehabilitation programs, with workers not being paid for their labor. Previous stories have reported the exploitation of disabled workers in the sector.^{xxiv}

Demand for many processed foods ebbs and flows on a seasonal basis, so food manufacturers may prefer temporary work arrangements for seasonal flexibility. Many jobs are casual, part-time, and/or contracted, and workers often lack social protections afforded to workers in other sectors.^{xxv} Many of these temporary workers are hired through third-party staffing agencies, and thus often lack a direct employment relationship with their worksite.^{xxvi}

Food processing work is one of the most hazardous sub-sectors in manufacturing. Hazards include extreme temperatures and noise, repetitive motions, and slips and falls.^{xxvii} Workers operate heavy machinery that can be hazardous without adequate protective mechanisms. Meat processing has been cited as a particularly hazardous task: The National Employment Law Project reported on OSHA data in 2017 stating that within the poultry processing sector, 27 workers a day suffer amputation or hospitalization.^{xxviii} Oxfam has stated that poultry sector workers are largely “disenfranchised and intimidated, and often end up injured or disabled and on the street.”^{xxix}

Distribution

Overview

Transport or distribution service workers in food and beverage supply chains include truck drivers, private drivers, freight cargo movers, station attendants, dockworkers, warehouse workers, and supporting personnel.

Trafficking in Persons Risks Present in Distribution: Vulnerable Workforce; Presence of Labor Recruiters; Hazardous Work.

Transportation and goods-delivery is characterized by part-time, low paid work. The pressure that large retailers exert on their suppliers to provide goods at extremely low-

price points creates downward pressure on transport workers across all levels of the industry.

Transport workers such as truck drivers are often misclassified as independent contractors. As such, they are vulnerable to forced overtime, lack access to grievance mechanisms, have few legal protections, and are subsequently more susceptible to exploitation. This classification exempts them from protections like the Fair Labor Standards Act and allows their employers — generally third-party logistics suppliers (see below) — to make improper wage deductions. Truck drivers may be required to pay for costs of truck maintenance, gas, and tires, as well as any collision costs, even when they do not own the trucks they drive.

These deductions can cause truck drivers to earn well below the minimum wage,^{xxx} and there have been documented instances of truck drivers “owing” their employers money.^{xxx} In some cases, truck drivers lease trucks from their employers and are required to make regular monthly payments; if workers are fired or quit, they must return the truck to the company and pay off any remaining debt. Because truck companies know workers may be reluctant to quit in order to avoid such debt, some compel truck drivers to work beyond legal working hours.^{xxxii}

Large corporations and retailers are increasingly outsourcing warehousing, transportation, and delivery operations to logistics management companies as these functions are not considered “core competencies.”^{xxxiii} These third-party logistics firms work with shippers to manage the logistics of their operations, including warehousing and transportation management.^{xxxiv} The logistics management companies generally sub-contract labor supply to employment agencies or use independent contractors.^{xxxv} Although the retailer or company may set the terms of working conditions through on-site managers, there is no direct relationship between the worker at the bottom of the chain and the company — creating vulnerability for exploitation. Transportation workers employed by outsourced logistics firms report higher rates of core labor violations than those employed by direct arrangements.^{xxxvi}

The system of logistics outsourcing and subsequent labor sub-contracting has created a particular vulnerability for warehouse workers. Warehouse workers move goods from shipping containers into warehouses and load trucks with goods for delivery to retail stores.^{xxxvii} In many cases, workers are employed by temporary employment agencies even if they have worked in a warehouse for years; they are therefore not eligible for benefits and may only make minimum wage.^{xxxviii}

Drivers and other operators of transportation equipment experience long hours, are often required to work overnight, and may face additional occupational hazards. These workers are also at risk of being in transportation accidents. Operators and warehouse employees often have to lift and carry heavy objects and are therefore at risk of injury. According to the United States Department of Labor's Bureau of Labor Statistics, hand laborers and freight, stock, and material movers are among the occupations with the highest rates of injury and illness. Twelve percent of all workplace deaths in the United States involve truckers.^{xxxix} Mechanics, and, in some instances, operators, might be exposed to harmful chemicals and dangerous machinery.^{xi}

According to OSHA, the fatal injury rate for workers in warehouses is higher than the national average for workers in all industries. Potential hazards include injuries from forklifts and other heavy machinery, being crushed by falling materials, falling off docks, injury from conveyor belts, repetitive lifting of heavy loads, chemical exposure, and fires and explosions.^{xli} Warehouses can be extremely hot, and employers often pressure workers to perform at high speeds. Investigations into working conditions of outsourced warehouse workers have found that workers in warehouses often face underpayment of wages and lack of pay for overtime.^{xlii}

Food Service and Retail

Overview

The food-service industry is very broad, encompassing both restaurants and contract catering providers. Independent sit-down restaurants are most often owned by private individuals, but fast food and chain restaurants are generally owned by large, often transnational companies. The contract catering industry is dominated by three major corporations. A small number of transnational catering companies also control transportation-related catering, such as catering on airlines and railways. Contract catering firms provide foodservice to hotels, schools, hospitals, military bases, prisons, industrial worksites, and other institutional settings, and account for as much as half of the food consumed outside the home in some countries.^{xliii} The contract catering industry is growing steadily, reflecting the increased global demand for the general outsourcing of services, as well as changing social and workplace cultures.^{xliv}

Trafficking in Persons Risks Present in Food Service and Retail: Vulnerable Workforce; Prevalence of Migrant Workers; Presence of Labor Recruiters;

Work in the food service sector ranges from senior chef positions, chef positions, and specialized and skilled jobs to low-paid jobs such as dishwashing. Catering industry

positions include cooks/chefs, dishwashers, waitstaff, bartenders, cashiers, hostesses, drivers, and managers. There is high staff turnover in the restaurant industry due to lack of job stability (the sector is very vulnerable to market fluctuations, and workers may be laid off on short notice), irregular hours, lack of opportunities for upward mobility, and generally low pay.^{xlv}

The franchised business model is increasingly prevalent in the restaurants sector. In the franchise model, the franchisor (often a large, multinational company), sells rights to use its brand to a franchisee (an individual business owner or, increasingly, an incorporated business or trust). The franchisee agrees to follow the franchisor's business model, including standards that may impact conditions of work for employees — and to pay royalties or fees to the franchisor.^{xlvi} Employees of a franchised business have no direct employment relationship with the franchisor brand. There have been multiple lawsuits alleging wage theft among restaurant workers in the U.S., particularly at franchised restaurants.^{xlvii}

Migrants may be exploited in the hospitality industry as a result of their ethnicity or minority status. A recent report on human trafficking in the British food industry found that migrant workers interviewed reported upfront fees and debt bondage, threats and bullying, disciplining through dismissal and threats of denunciation, productivity targets and workplace surveillance, overwork, no breaks or holiday, non-payment and underpayment of wages, underwork and indebtedness, deductions and charges, and passport retention. The report highlighted particularly long hours for Chinese workers in what it termed "minority ethnic catering."^{xlviii} There are reports of discrimination and intimidation against migrant workers in food retail stores, in which workers are told they do not qualify for minimum wage due to their migration status and are threatened with denunciation to immigration authorities.^{xlix}

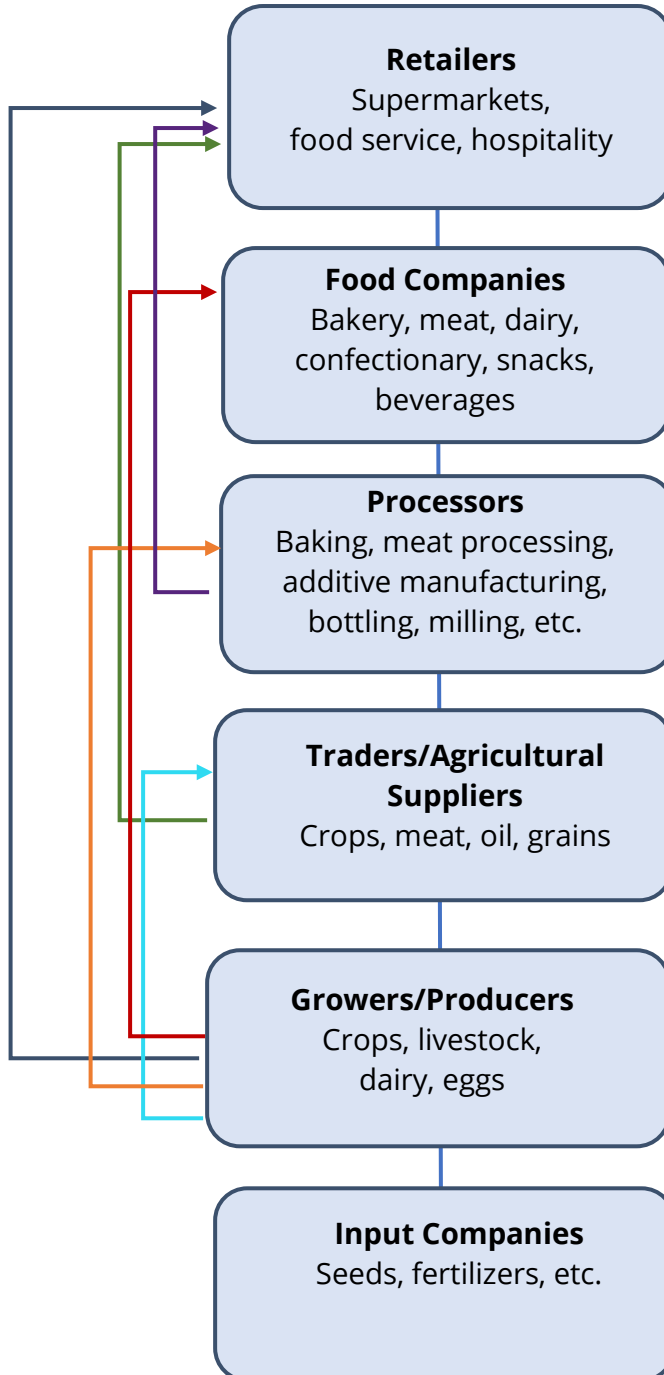
Because the food service sector, and the hospitality sector more broadly, have historically attracted a large percentage of migrant workers, international labor recruitment agents and other middlemen often play a role in the supply of labor to the sector. Domestic hospitality workers may be recruited, hired, and managed by third-party staffing agencies. These third-party agencies allow companies to avoid direct employment relationships with workers and to maintain a highly flexible workforce. Third-party agencies commonly provide staff, including food service workers, to hotels and other hospitality and event venues for functions.ⁱ Migrant restaurant workers may also be recruited by employment agencies.ⁱⁱ As well, there have been cases of migrants smuggled by criminal networks for restaurant work.ⁱⁱⁱ Risks are exacerbated in

situations where the middlemen facilitating the placement of migrants in hospitality jobs overseas are affiliated with organized criminal networks.

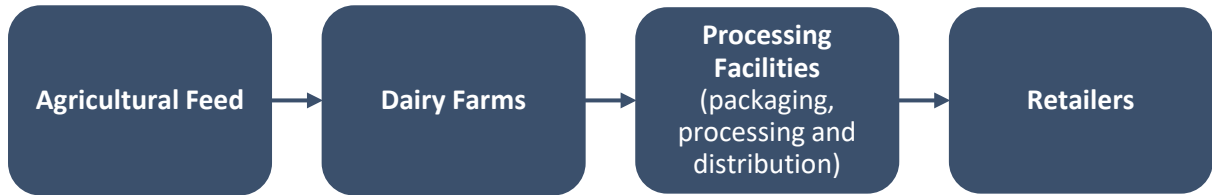
Workers in the food retail sector appear less likely to be engaged by third-party labor recruiters than workers in restaurants, but they, too, face low-wages and hazardous conditions.^{liii} In the U.S., food retail workers suffer double the level of food-insecurity (being unable to afford sufficient quantities of food or healthy foods) as is found in the general population.^{liv}

SAMPLE FOOD AND BEVERAGE SUPPLY CHAIN MAPS

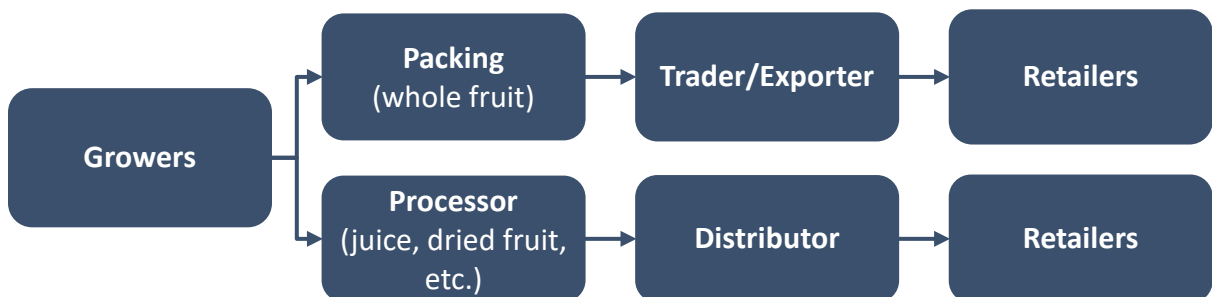
Sample Processed Food Supply Chain



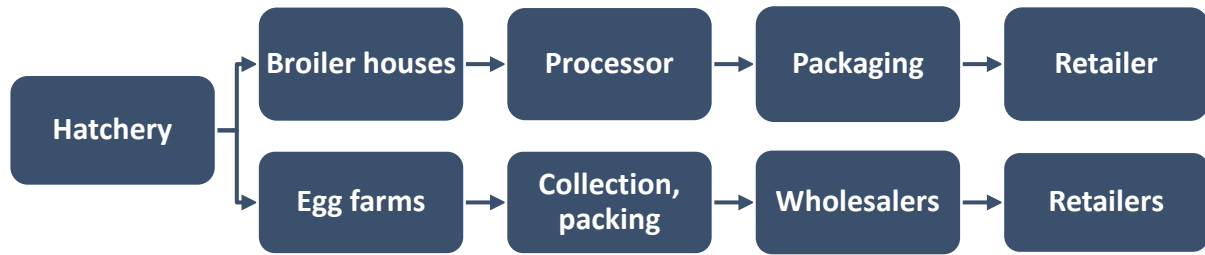
Sample Dairy Supply Chain



Sample Produce Supply Chains



Sample Poultry and Egg Supply Chains



End notes

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