

Transparentem Warns About Unofficial Recruitment Fees for Workers in Indonesia

Transparentem is an independent, philanthropically funded nonprofit organization that uses front-line investigative methods to identify environmental and human rights abuses in global supply chains. Our mission is to advance the well-being of workers and their communities by exposing hard truths to those with the power to positively transform industries. Our primary objective is to be a catalyst for systemic change and work with diverse stakeholders, including brands and manufacturers, to eradicate those environmental and human rights abuses, and promote supply chain accountability.

Over seven months interviewing workers at apparel factories in Indonesia, investigators for Transparentem uncovered evidence of an alarming, widespread practice: workers paying middlemen substantial sums to secure jobs with suppliers of international brands. Often, these middlemen repeatedly demand extortionate fees, in a racket that harms vulnerable workers and their families.

As explained in the summary "Pay-to-Play, Pay-to-Stay: The High Cost of Indonesian Apparel Jobs," published by Thomson Reuters Foundation, our research identified numerous unofficial actors charging workers for their jobs, including security guards, unauthorized agents, and local gang members. Some brokers approach job seekers near factory gates to offer their assistance, for a fee. We found no evidence that these payments are formally orchestrated by manufacturers, although we were sometimes told about connections to factories' human resources staff, who reportedly get a cut.

The COVID-19 pandemic has made Indonesian apparel workers even more vulnerable. Thousands of workers in the industry have been laid off. Even with no steady income for the foreseeable future, they know they will again need to pay for their jobs once production orders increase. COVID-19-related layoffs will be a boon for black-market recruiters profiting from the desperation of unemployed workers.

However, the pandemic's disruption to the Indonesian apparel industry presents an opportunity for brands, manufactu ers, the Indonesian government, and civil society organizations to take action to address this disturbing practice. Our <u>op-ed</u> provides suggestions for how brands and suppliers could take some first steps. The workers who are the lifeblood of the industry deserve to be protected from extortionate practices that harm their livelihoods. No one should have to pay for work.