

Migrant Garment Workers Still Waiting for Change

Follow Up to Transparentem's Investigation in Mauritius

September 2024

In December 2023, Transparentem published a report, "I Came Here with So Many Dreams": Labor Rights Abuses and the Need for Change in Mauritius' Apparel Factories that described migrant workers' experience of labor abuses—including ILO indicators of forced labor—at four garment manufacturers in Mauritius, as well as corporate and government responses. Almost a year later, migrant garment workers

in Mauritius continue to report that they experience labor abuses, most global brands that purchase from these factories have reported little to no remediation, and the Mauritian government has made uneven progress. Further, the U.S. Department of Labor's Bureau of International Labor Affairs added garments made in Mauritius to their 2024 List of Goods Produced by Child or Forced Labor.

"It was so stressful that every month when I received my income, whether I was able to eat or not, I had to repay this loan."

-Migrant worker at Denim de l'Île

Transparentem is calling for the immediate and sustained improvement of conditions for migrant workers in Mauritius.

Context: Bringing the Issues to Light and Buyer Responses

Between October 2021 and August 2022, Transparentem interviewed migrant workers at four garment manufacturers in Mauritius. At three of the investigated manufacturers, workers reported conditions that could constitute abuse of vulnerability, deception, intimidation and threats, and abusive working and/or living conditions—all of which are ILO indicators of forced labor. At all four investigated manufacturers, workers reported other significant issues, such as the payment by workers of high recruitment fees.

Starting in November 2022, Transparentem contacted garment factory management and owners ("suppliers") and brands that buy from these factories ("buyers"), as well as other relevant stakeholders, to disclose our findings and recommend actions that should be taken to address those abuses. Some buyers commissioned audits by Verité to evaluate Transparentem's findings at DDI, Firemount, and R.E.A.L. A group of buyers from Aquarelle worked from findings from an LRQA audit. These audits reportedly confirmed some findings related to abusive working and living conditions. Buyers claimed the Verité and LRQA audits were unable to confirm Transparentem's findings regarding high recruitment fees. However, Transparentem cannot confirm this claim because, despite repeated requests, none of the buyers or suppliers provided the Verité or LRQA audit reports to Transparentem. Woolworths SA also relayed audits that it commissioned Quality Inspection Management (QIMA) to perform at two Firemount factories, which confirmed only Transparentem's finding on poor food quality.

Transparentem then conducted follow-up interviews with workers in Mauritius in July and August 2023, while continuing to advocate with buyers for remedial action. Workers across the factories reported being intimidated and said they did not feel comfortable reporting grievances, including how much they paid in recruitment fees and related costs.

In December 2023, Transparentem published a detailed <u>report</u> of our findings and the response of buyers and the government. Transparentem was encouraged at that time that three buyers—PVH, Barbour, and Second Clothing—committed to repaying migrant workers at R.E.A.L Garments Ltd

(R.E.A.L) approximately \$420,000* for recruitment fees and related costs. Groups of buyers also reported on developing and implementing corrective action plans at all four suppliers.

But, one year on, Transparentem is disappointed in the slow response times, the level of remediation that had taken place, and the fact that 15 out of 18 buyers and none of the four suppliers financially contributed to repaying workers for worker-borne recruitment fees. PVH, Barbour, and Second Clothing reported they executed an agreement with R.E.A.L in August 2024 to support the logistics of a plan to implement their repayments in September 2024. Many workers have left R.E.A.L in the months since problems were first reported, making it more difficult to contact them. This highlights the need for quick repayments.

In May 2024, the Business and Human Rights Resource Centre (BHRRC) asked all buyers implicated in Transparentem's report for <u>updates on progress</u> to improve conditions for migrant workers since the report was published in December 2023. Buyers did not report significant new and concrete improvements for migrant workers. Transparentem provided a <u>response</u> highlighting the lack of transparency from buyers—including not sharing reports from some audits of the implicated factories—and the lack of commitments to repay recruitment fees by 15 of the 18 buyers we engaged.

New Interviews Raise Concerns of Continued Labor Abuses

From March to July 2024, investigators conducted new interviews with migrant workers which raised concerns of continued indicators of forced labor. Investigators spoke with eight workers who said they currently or had recently been employed at Aquarelle Clothing Ltd. (Aquarelle), Denim de l'Ile Ltd. (DDI), Firemount Group Ltd. (Firemount), and R.E.A.L. While all workers had been previously interviewed at earlier stages of the investigation, the information presented below is updated or new.

Workers provided the following updates about their working and living conditions:

- Recruitment fees not reimbursed: All interviewed workers from Aquarelle, DDI, Firemount, and R.E.A.L who discussed the issue reported they paid recruitment fees to recruitment agents to get their jobs; no workers reported receiving any significant repayments for these recruitment fees. As detailed in our report, factory management had repaid workers approximately \$30* to cover some travel expenses, but many workers reported paying fees totaling hundreds or thousands of dollars.
- Abusive living conditions: Workers at DDI, Firemount, and R.E.A.L reported the continuation of
 problems such as overcrowding in worker dormitories, dirty and/or too few bathrooms, and bed
 bugs (though some reported recent treatment for bed bugs). One Firemount worker, however,
 reported that the living conditions had improved.
- Food quality: Workers at DDI stated that the food quality was still poor or had gotten worse. One worker at DDI reported, "The quality of the food is at the lowest point. Very much at the lowest point. After working the entire day, we cannot satisfy our hunger. For that reason, a lot of people fall sick." At Firemount, interviewees reported that workers could now cook their own food, which one worker stated was an improvement. Workers at R.E.A.L stated that food quality had recently improved.

^{*}For currency conversions, Transparentem used the US Treasury Department exchange rates.

• Audit deception, intimidation and threats, and worker coaching: Some workers from DDI, Firemount, and R.E.A.L reported that supervisors would tell workers what to say to auditors. Workers at DDI and R.E.A.L also said supervisors told workers that if they spoke out about problems then orders would drop and they would become unemployed, receive lower salaries, or be sent back to their home countries. A DDI worker stated when discussing audits, "They keep an eye on all of you for every room. They keep an informer or a circle to see what is happening." One worker at DDI and one at Firemount, however, stated that they weren't told what to say during audits.

• Intimidation and threats:

- As stated in our public report, Firemount shared with Transparentem in 2023 that a notice was shared with workers (and posted publicly in the factory) stating, "if at any stage it is discovered that you have paid any money to the agent or a third party or other persons to secure a job at FMT Ltd., your selection will be disqualified." Such a warning could intimidate workers and prevent them from disclosing that they paid recruitment fees. One Firemount worker stated "[The recruitment agency] tell[s] people not to say that you paid money to come here. Because if one mentions about this, then one would be sent back."
- No interviewed workers at DDI, Firemount, or R.E.A.L reported having been in contact with any other NGO or with a union about any of the problems they encountered. One worker at R.E.A.L stated he would not be comfortable sharing his problems with an NGO if they contacted him, due to fear of retaliation by his employer, such as suspension or deportation. A DDI worker said they would like to speak with NGOs or government representatives, but, "somebody will leak the secret conversation. Then after, whoever we speak to will create a problem."
- Recent government-mandated salary increases and salary deception: Many of the interviewed workers at DDI, Firemount, and R.E.A.L reported recent salary increases, which likely resulted from a governmental increase in the minimum wage in 2024. However, one R.E.A.L worker reported deception in recruiting, an ILO indicator of forced labor. The worker said they were told during their recruitment process they would earn \$510-\$600* per month. They instead received \$110-\$120* per month after deductions. Even with the increase in minimum wage plus working overtime, the worker reported earning only \$340* per month.
- Restrictions on movement: One worker at DDI and one worker at R.E.A.L noted that if a worker
 wanted to leave employment with a factory before the end of their contract, there could be a waiting
 period of many months before they were able to return home.
- Problems accessing medical care: Two workers at DDI noted issues that prevented them from
 accessing adequate medical care.

Workers Intimidated Not to Speak Out

The Mauritius Export Association (MEXA) told Transparentem in February 2024 that US buyers were decreasing orders from Mauritius and stated, "We [MEXA] are telling all the workers that it is because of the Transparentem [sic] report." Transparentem cautioned that this message could function as a form of intimidation of workers, discouraging them from telling the truth to auditors, labor inspectors, and other third parties. As noted above, in the new interviews from July 2024, workers reported that they

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were told by factory management that if they spoke out about issues with working and living conditions to auditors, it would mean fewer orders and loss of income. These communications raise concerns that subsequent assessments have not been able to capture full and complete information about working and living conditions.

As discussed in Transparentem's 2023 report, MEXA together with the IOM developed a voluntary code of conduct for the recruitment and employment of migrant workers in export industries. MEXA advised in August 2024 that it was continuing to work on developing a certification process for employers committing to the code of conduct.

Government Updates: Improvements and Significant Gaps

Since the publication of Transparentem's report in December 2023, the government of Mauritius has made some changes to laws and regulations affecting migrant workers. While some of these changes are positive, others are concerning.

Minimum Wage Guidelines

Mauritius' 2024 minimum wage guidelines for migrant workers continue to allow a deduction (i.e., an "allowance") for food and accommodation. Transparentem advocated for the elimination of this deduction from minimum wage calculations as it has led to confusion for workers during the recruitment process. Nonetheless, the new guidelines increased the minimum wage by over 40 percent, which was a positive development.

Finance Act

As described in Transparentem's 2023 report, Mauritius enacted the <u>Private Recruitment Agencies Act</u> in October 2023, which enshrined the important principle that workers should not have to pay fees for their jobs. However, among other problems, the act failed to clarify that foreign agents must not charge fees to workers. Transparentem has advocated for the act to be amended to address this concern.

In July 2024, Mauritius enacted the <u>Finance (Miscellaneous Provisions)</u> Act of 2024, which amended other laws, including the Private Recruitment Agencies Act and the Workers' Rights Act. Despite the recent passage of the Private Recruitment Agencies Act, which established a new framework for the recruitment of migrant workers, the Finance Act discusses the category of "labour contractors." These contractors are essentially Mauritian private recruitment agents who will directly employ migrant workers and contract them out to local workplaces (called "hirer employers"). This law is a step in the wrong direction since the "hirer employer" is not the actual legal employer and is therefore not fully liable to the worker for the terms and conditions of employment.

A key Mauritian union has <u>stated</u> that these changes would undermine collective bargaining agreements and exempt employers from contributing to migrant workers' social protection schemes.

The Finance Act contains a potentially positive provision: employers are required to provide advance written notice to the government before terminating the employment of, and then repatriating, workers.

This could ensure that the government has oversight of terminations and repatriations and can prevent unjust terminations and repatriations.

Bilateral MOUs to Govern Labor Recruitment

Transparentem's December 2023 report noted that the government of Mauritius signed a Memorandum of Understanding (MOU) with the government of India on labor recruitment in May 2023. Transparentem recently reviewed a copy of the MOU and is concerned that this MOU does not include the principle that workers should not pay for their jobs. Instead, the MOU states that workers must pay for their health examination fees, which goes against ILO guidelines on recruitment fees and related costs.

Since the publication of Transparentem's report in December 2023, there has been no public information about the Mauritian government's progress in finalizing MOUs with Bangladesh, Nepal, and Madagascar.