

International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations



*Rampe du Pont-Rouge, 8
CH-1213 Petit-Lancy (Switzerland)*

*TEL: + 41 22 793 22 33
FAX + 41 22 793 22 38*

**To: Rt Hon Iain Duncan Smith MP,
Secretary of State for Work and
Pension**

Date: March 27, 2013
Ref: ro/sl/0224

Concerns: UK Governments plans to abolish the Agricultural Wages Board for England and Wales

Dear Sir,

The IUF is the global trade union federation representing workers throughout the food chain. We have 387 affiliated unions in 120 countries including Unite the Union in the UK.

Unite has informed us of your Government's plans to abolish the Agricultural Wages Board (AWB) for England and Wales although the IUF, like many other rural and agricultural stakeholders, was not consulted by DEFRA.

It is our understanding that even within the short consultation period imposed by DEFRA, responses indicated support for the AWB (63%) and opposition to your government's plans.

As the global union representing agricultural workers, we are concerned about the implications of the abolition of the AWB. The ILO has long recognized that workers in agriculture face specific challenges to exercise their basic human and trade union rights. Consequently the ILO has developed a comprehensive range of International Labour Standards to extend rights and protection to agricultural and rural workers.

Nonetheless, the ILO acknowledges that "many rural workers, especially in agriculture, experience severe difficulties and gaps in protection, as regards freedom of association, forced labour, child labour, discrimination, wages, working time, occupational safety and health and social security" (ILO Report, Promotion of rural employment for poverty reduction, 2008).

The ILO report continues, "Strong economic, social and political power imbalances between employers and workers tend to be more prevalent

in rural society than in urban areas and can undermine the fair and effective functioning of rural labour markets. Often employers own and control not only agricultural land, but also other assets needed by workers, such as housing, access to water, access to forest resources, animals, convenience stores, credit, and, in some cases, schools and health-care facilities. Complex interlocking relationships that can involve wages, barter and other types of exchanges between employers and workers can reinforce workers' dependence".

The Report goes on to make the following recommendation: "Member States could be called upon to review their legislation **with a view to extending the coverage of protection to rural workers, including rural wage earners, and in particular to ensure that they enjoy the protection of fundamental principles and rights at work as contained in the Declaration on Fundamental Principles and Rights at Work.** This would require better monitoring and enforcement of national legislation, including the extension of labour inspection".

In this context it is clear to us that the Agricultural Wages Board for England and Wales stands for much more than its specific legal remit. It is an indication to workers in agriculture that there is a system in place to help them exercise their rights and address power imbalances between rural workers and employers. Abolishing the AWB can only be interpreted as a dismantling of agricultural workers' rights.

Globally, the agricultural sector faces many decent work deficits. Two of the decent work deficits need particular attention in relation to possible consequences of the abolition of the AWB.

Forced Labour

It happens here, a new report by the Centre for Social Justice, which we understand you have close links to, (http://www.centreforsocialjustice.org.uk/UserStorage/pdf/Pdf%20reports/CSJ_Slavery_Full_Report_WEB%285%29.pdf)

examines the incidence of forced labour and slavery in the UK. The report states "...forms of forced labour include exploitation in factories, agriculture, the food processing industry,..."

And goes on to say (page 37), "As with other forms of modern slavery, forced labour is under-reported due in large part to the fact that vulnerable victims are unlikely to speak out, and also due to a lack of awareness of agencies on the indicators of forced labour and what to do if they do identify it".

The report also identified children in forced labour situations in agriculture in the UK (Page 34).

In May 2012, a report by the Joseph Rowntree Foundation, *Experiences of forced labour in the UK food industry*, looked at the situation of migrant workers in the UK, most of them working in agriculture. The research identified 14 forced labour practices in the UK food industry and found cases of workers

- not being paid,
- not being paid the hours owed,
- not being paid the minimum wage.

Our concern is that the abolition of the AWB will increase the cases of abuse and will undermine the positive work done by your government in making forced labour a criminal offence under the 2009 Coroners and Justice Act (Section 71).

Child labour

Agriculture globally remains the biggest user of child labour with 60% of all child labour taking place in agriculture (ILO statistic).

The AWB through the guidance it gives on hourly pay rates and overtime pay for workers of compulsory school age and the application of the Working Time regulation and the Children (Protection at work) Regulation 1988 makes clear both the entitlement due to and the work time limitations on these young workers.

We believe there is a strong possibility that the abolition of the AWB will make children more vulnerable to exploitation in agriculture.

Abolishing the AWB will leave agricultural workers in the UK even more vulnerable to the poor working conditions documented by the Rowntree Foundation and the CSJ.

We take this opportunity to remind HMG that the UK has obligations under Conventions it has ratified including:

- Convention 11 Right of Association (Agriculture), 1921
- Convention 12 Workmen's Compensation (Agriculture), 1921
- Convention 141 Rural Workers' Organisations, 1975

In addition there are the over-riding obligations contained in the core conventions of the ILO concerning freedom of association, collective bargaining, equality, forced labour and child labour. The existence of the AWB ensures there is in place a negotiating system in the agricultural sector that allows all of these obligations to be met.

According to DEFRA's own figures, agricultural workers will lose up to £260 million over 10 years. Yet another UK government department, DFID, recognized in its report *Growth and poverty reduction: the role of*

agriculture (2005) that “agriculture should be placed at the heart of efforts to reduce poverty”.

It does not make economic sense in the current economic climate to remove deliberately cash from the rural economy and certainly runs counter to the claims being made by the UK Prime Minister that he is concerned about eliminating world hunger, most of which takes place in rural areas, while his government is taking measures to undermine food security for its own rural population.

We therefore agree with Unite’s assessment that “Scrapping the AWB is an ideological and unjustified attack on some of our lowest paid workers who work hard in one of our most dangerous industries. At the heart of Britain's biggest manufacturing industry – the food production sector – farming needs more skilled workers. Instead, the Government is encouraging employers to race to the bottom on pay which will see skilled workers turn their back on the industry”.

Finally, we take this opportunity to point out that 13 EU member states (Austria, Belgium, Czech Republic, France, Germany, Hungary, Ireland, Italy, Malta, Netherlands, Poland, Slovakia and Spain) remain signatories to Convention 99, concerning minimum wage-fixing machinery in agriculture. One could ask if the UK government, in abolishing the England and Wales AWB, is not seeking to gain an unfair advantage over competitors by removing the specific protection from agricultural workers that the AWB affords.

The IUF will continue to work with Unite to oppose the abolition of the Wages Board.

Yours sincerely,



Ron Oswald
General Secretary

COPIES TO:

Rt Hon Vince Cable MP - Secretary of State for Business, Innovation and Skills
Rt Hon Owen Paterson MP - Secretary of State for Environment, Food and Rural Affairs
Annette Warrick - UK Government representative on the ILO Governing Body
Len McCluskey - Unite the Union
Frances O’Grady - TUC
ILO Standards Department