

GLOBAL FUND TO END MODERN SLAVERY

Assessing Modern Slavery Risks in the Vietnam-Taiwan Migration Corridor

This briefing note presents key findings and insights from a study conducted by Responsible Business Alliance (RBA), in collaboration with Verité, Ulula, and the Fair Hiring Initiative, with Vietnamese migrant workers at four destination workplaces in Taiwan through an anonymous, encrypted mobile-based voice survey. The study aimed to capture insights into the recruitment and employment experiences of Vietnamese workers in Taiwan, as well as identify opportunities for improvement in labor recruitment practices in the corridor. The learnings from this pilot of a digital worker voice survey are also intended to contribute to the evidence base on digital worker voice tools, assessing their applicability for identifying risks, monitoring workplace improvements, facilitating access to remedy, and quantifying effects of anti-slavery interventions.

Research Design

The study was conducted in November and December 2019 to migrant workers in 4 participating factories in Taiwan via two remote communication channels: (i) Interactive Voice Recording (IVR) surveys administered either via phone calls placed to worker phone numbers or worker-initiated calls to a toll-free survey number; and (ii) Mobile web surveys accessed via either a QR code scanned from posters or links shared via SMS and WeChat. The survey was introduced to workers on-site by Verité research teams in collaboration with factory management. In order to limit risk of undue influence, management was asked to not be present during deployment and to provide workers who participated on-site with a private space to complete the survey. To ensure anonymity and worker

safeguarding, the Ulula platform encrypted stakeholders' phone numbers so that answers could not be traced back to individual workers. Further, workers who opted into the survey via either IVR or web were not required to provide any personally identifiable information (such as their name, address, document details, etc). At the conclusion of the data collection period, the study collected complete survey responses from 133 Vietnamese migrant workers. The data reveal interesting insights on the presence of persistent unethical recruitment and employment practices faced by Vietnamese migrant workers in Taiwan including fee-charging, recruitment-related debt, limited freedom to terminate work contracts, and lack of access to grievance mechanisms¹.

Key Findings

Fee Charging

- Fee charging was prevalent across the board among the surveyed population of workers, with reported fee amounts ranging from 150 to 6,200 USD and an average fee amount paid of 4,038 USD. Even when workers reported they did not pay a labor agent or other entity, they were still required to cover costs for medical tests and/or other recruitment-related expenses.

Recruitment-Related Debt

- The data indicates that many workers had to borrow money to pay for the cost of getting their job, with the majority of workers who borrowed money estimating that it would take between seven and 24 months to pay off the debt.

Barriers to Early Termination

- A majority (82%) of respondents reported barriers to early termination. Many reported having to pay airfare (74% of respondents) or paying a fine (45% of respondents) if they wished to terminate their contracts early. Nearly a quarter of respondents reported that they would lose due wages or mandatory savings and deposits if they wished to terminate their contracts.

Lack of Grievance Mechanisms

- Grievance mechanisms did not appear to be sufficiently available or utilized among the respondent population – only 36% of respondents reported that they had been provided with an anonymous and safe grievance channel by either their employer or recruitment agency. Those workers who did have access to a formal and anonymous grievance channel had greater levels of comfort with reporting workplace concerns (63% of workers with a formal grievance mechanism compared to 24% of workers without one).

Worker Engagement

- The study results demonstrate potential for digital worker voice tools in collecting evidence on recruitment and labor practices and associated modern slavery risks in particular corridors and supply chains. With the onset of the COVID-19 pandemic, remote monitoring capabilities are more relevant than ever. Additional piloting and a larger sample of factories and workers could serve to identify the conditions under which such digital voice technologies could be freely and effectively utilized by workers without in-person assistance and support.

Key Findings at a Glance

FEE CHARGING was prevalent across the board among the surveyed population of workers.



Reported fee amounts ranged from **150 TO 6,200 USD** AND AN AVERAGE FEE AMT. PAID OF **4,038 USD**

The majority of workers who borrowed money estimate that it would take between **SEVEN AND 24 MONTHS TO PAY OFF THE DEBT**



A MAJORITY (82%) OF RESPONDENTS reported barriers to early termination



NEARLY A QUARTER of respondents reported that they would lose due wages or mandatory savings and deposits if they wished to terminate their contracts.



ONLY 36% OF RESPONDENTS reported that they had been provided with an anonymous and safe grievance channel by either their employer or recruitment agency.

Conclusion and Recommendations

Recruitment and Labor Practices

The study findings provide useful insight on the recruitment practices and workplace experiences of a sample of Vietnamese workers migrating to Taiwan for employment. Findings document on-going, persistent fee-charging and other unethical recruitment practices among the respondent population. The presence of potential forced labor indicators such as limited or no freedom to terminate work contracts as well as recruitment-related debt leading to debt bondage, are of particular concern. There are several opportunities for improvement in labor recruitment practices in this corridor.

- **Government and industry stakeholders should move toward “zero-fee²” policies** that are enshrined in formal, enforceable written agreements between buyers and suppliers, as well as between suppliers and their recruitment partners. Buyers and facilities should conduct regular due diligence to determine whether workers are being required to pay recruitment fees or recruitment-related expenses, such as visa-processing or work permit fees.
- **Facility policy and employment contracts should allow early termination of employment by workers** with reasonable notice without penalty; and, in cases of termination without reasonable notice, any penalty should be within legal limits. Facilities should ensure

that policies and procedures for ending the contract are communicated clearly during the recruitment process to all workers.

- **Finally, ensuring adequate grievance mechanisms for migrant workers should also be a priority.** Any migrant worker, acting individually or with other workers, should be able to submit a grievance or complaint anonymously and without fear of retaliation of any kind. Anonymous mechanisms must allow for workers to report grievances in their native language. These grievance procedures should be effectively communicated to all workers, supervisors, and managers through training and written material, and all grievances should be fully investigated.

Digital Worker Voice Tools

Learnings from the study are additional evidence that digital worker voice tools have merit as a mechanism for understanding the recruitment and employment experiences of otherwise hard-to-reach populations. While factory-owner buy-in and worker availability remain challenges to full uptake, worker survey technology offers a platform for anonymous feedback and can enable efficient and cost-effective follow-up. Further study insights on the utility of remote surveying are highlighted below.

- **While digital channels are an effective complementary way to gather information, they should not be considered a replacement or substitute for on-site social audits or investigations.** Digital worker engagement systems can serve as a mechanism for risk screening, baseline and impact measures, and enabling channels for workers to report grievances and access remedy. Digital technologies can enable continuous engagement with workers, filling the gap in consultation and data collection in between audits and other on-site assessments.
- **Further deployments of digital worker voice technology would benefit from follow-up in-person interactions with respondents after a longer period of use.**

This would help assess the types of information that are most effectively gathered via these methods and the circumstances under which accessibility to the platform is maximized.

- **Future deployments of this technology should also pilot the distribution of information** to better understand the effects of communication campaigns on worker experiences.
- **A larger scale and longer term project could also assess the feasibility and cost-effectiveness** of the technology to continuously collect data from the same population of workers as move through recruitment and subsequent job placement.

1. The study presents findings from a limited, purposively sampled group of migrants and should not be considered generalizable. Nevertheless, findings do align with anecdotal reports and existing literature on issues facing migrant workers in this and similar corridors.

2. The “zero-fee” model is synonymous with the “employer pays” principle that stipulates that no worker should pay for a job – the costs of recruitment should be borne not by the worker but by the employer

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