

Post-lockdown Labour Rights: Recovering with Purpose

amfori reacts to the proposal to suspend fundamental labour rights as a measure to recover from COVID-19 crisis

The sanitary and economic crisis caused by COVID-19 has challenged the global economy by amplifying its fragilities and broadening existing inequalities. The livelihoods of millions of workers and their families are now at risk. This is even more true when public safety nets have not been made available to the most vulnerable categories. As we recover, it is crucial that governments all over the world adopt measures that respect internationally recognised workers' rights and build towards a sustainable future, leaving no one behind.

amfori is deeply concerned about the recent developments in India, where more and more states have announced their intention to suspend basic labour rights, including minimum wage, workplace safety and working hours, for a period of up to three years to allegedly revitalise the economy and attract foreign investments.

While it is true that governments have the right to regulate, amfori believes that this should be done in line with the **principle of good governance and transparency**. They must protect both individuals and businesses within their jurisdiction from abuses and hazards. Government regulations should be **in line with relevant frameworks** (UNGPs, ILO, OECD) to ensure a level playing field on both trade and sustainability standards.

The global economy has indeed taken a hard hit because of the COVID-19 pandemic and measures will need to be taken to make our economic system more resilient and to support businesses. However, this recovery cannot be achieved through a race to the bottom, where people or the planet are sacrificed for the sake of the economy. Governments should not hide behind the COVID-19 outbreak to lower labour standards: recovering from a crisis and respecting basic human rights are not mutually exclusive. **Any measure we**

Key Policy Recommendations for Governments

- ✦ adopt a **long-term perspective** in times of crisis, placing sustainability concerns at the heart of recovery plans
- ✦ consider the specific risks and differentiated impacts of business activities **on vulnerable groups** such as women, migrant workers and children

Key Policy Recommendations for the European Union

- ✦ use any available tool when dealing with GSP countries, to **ensure respect of international human and labour rights**
- ✦ continue efforts to **promote fundamental values of the EU in trade relations** with third countries
- ✦ take a **consistent and ambitious approach** within the EU to put sustainability and long-term thinking at the heart of the recovery strategy

adopt for this purpose has to be based on long term considerations and not immediate profit: this is the core of sustainability.

As such, we urge all governments to **place internationally recognised labour rights at the core of their recovery measures**, and to rebuild our future through collective efforts

and solidarity between government, employers and workers. Only in this way, can the human-centred future of work see the daylight.

In amfori's view, any regulatory initiative would also need to consider the specific risks and differentiated impacts of business-related activities on **vulnerable groups** such as women, migrant workers and children.

The EU cannot stay quiet in front of grave violations of human rights: human dignity, freedom, democracy, rule of law and equality are its founding values that inspire all of its external actions. Consequently, whenever a GSP (Generalised Scheme of Preferences) country decides to suspend basic labour rights with the aim of increasing its competitiveness, the EU should start an **investigation** to verify whether trade preferences could be partially or totally removed. More generally, the EU should use leverage to press for signature and implementation of international standards and the inclusion of a Trade and Sustainable Development Chapter in Free Trade Agreements. It is essential to send clear messages that **sustainability has to be one of the core elements of any trade relations**. This is what we call 'Trade with purpose'.

Businesses that source from countries whose governments have reduced the effectiveness of labour rights should consider **supporting supply chain business partners and their employees** that are struggling in whichever way they can, potentially in collaboration with other brands/retailers or local partners and local government and possibly in consultation with trade unions and other local stakeholders. Supporting business partners should be part of their long-term strategy, to ensure business continuity during the crisis as well as when business resumes.

Lastly, amfori believes that the political choice to suspend human rights cannot justify abusive corporate practices. Human rights cannot be suspended. For amfori members, **amfori BSCI requirements will continue to be applied** even if the government requirements are relaxed, thus maintaining respect to the ILO Conventions and Recommendations on which the amfori BSCI Code of Conduct was built.

Background information

In May 2020, certain Indian state governments including those of Gujarat, Punjab, Rajasthan, Himachal Pradesh, Assam, Haryana, Madhya Pradesh, Uttar Pradesh, Odisha, Goa and Maharashtra proposed or notified amendments to social welfare and labour laws, some of which have been changed by applying Ordinance or Executive Order. Such changes consist of the suspension of certain labour rights for a maximum period of three years. The proposed amendments include the extension of working hours to 12 hours per day, no increased pay for overtime, increase of the threshold for lay-offs, and restrictions on labour inspections, health and safety legislation and on the freedom of association.

These measures are expected to push even more workers to the informal sector, thus increasing risks for people and businesses.

About amfori

amfori is the leading global business association that promotes open and sustainable trade. We number over 2,400 importers, retailers and brand manufacturers, from over 40 countries and with a combined turnover of more than €1.5 trillion.

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