

Ethical Employment in Supply Chains



Llywodraeth Cymru
Welsh Government

Code of Practice - Ethical Employment in Supply Chains

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Ethical Employment – the Challenges

Global business models

- Impacts overseas
- Migrant labour – lower expectations?
- Impact on employment in Wales
- Individuals

Hugely complex supply chains

- How to follow the product/money
- “I can’t possibly know so why bother?!”

Poor worker representation

- Huge problem worldwide
- Problem in some sectors in UK
- Unbalanced employer/employee power relationship

Due diligence stops at first-tier

- Poor contract management
- “outsourced risk” mentality
- Do minimum, compliance

Ethical Employment – the Challenges

A spectrum of practices

- Slavery is at one end...
- “If you don’t know what’s happening, how do you know there’s no exploitation?”

Social audits

- Becoming an industry in themselves!
- Getting behind the data – talking to workers

Organised crime mutates

- Problems move and change

Competing businesses need to work together

- Within a sector - horizontally
- Within supply chains - vertically

Embedding the Code of Practice

Public sector challenges

- Structural barriers
 - Within government
 - Around public sector
- Resource challenges
- Austerity – impact on staffing

Procurement challenges?

- Focus on cost-savings
- Hands-off paper-based tendering
- “Procurement” separated from service delivery and management.

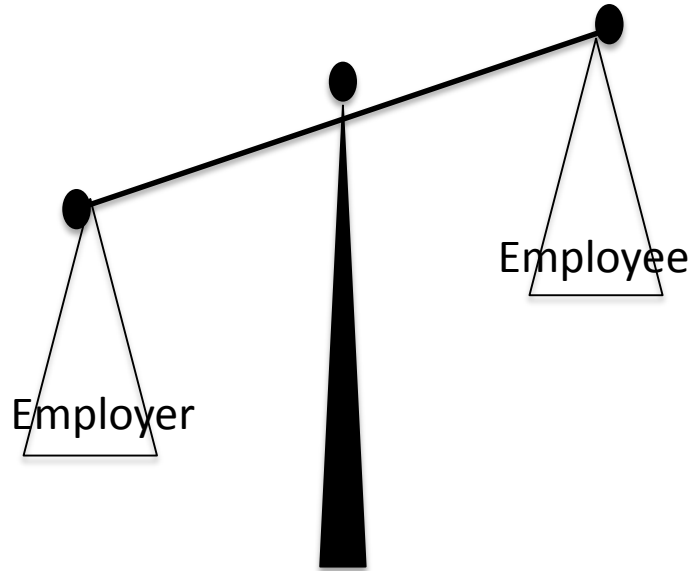
Contract management challenges

- Skills and resource shortages

Political will?

- Are we prepared for the extra cost? Extra “bureaucracy” on business?
- Paying lip service?
- Opening a can of worms?

People Matter



Standards – not trade-offs

“Signing up to the Code reflects a commitment to take action, and to start out on a journey – it does not mean that you have already reached the destination.”

“We can’t all be perfect but we can all be better”