



Let's take care of each other

A GUIDE TO IDENTIFYING AND PREVENTING LABOR EXPLOITATION IN THE CONSTRUCTION INDUSTRY

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What is labor exploitation?

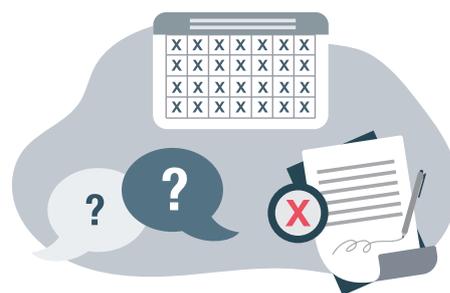
According to HEUNI, the European Institute for Crime Prevention and Control, labor exploitation refers to cases where an employee has poor employment terms, works long hours, is underpaid or works in poor and / or insecure working conditions with very limited opportunities to change the situation. **Anni Lietonen**, HEUNI's corporate responsibility expert and researcher, points out that there can be many reasons for being in a bad situation:

“A victim of a labor exploitation might feel stuck in their situation for a number of reasons, such as owing money, poor financial situation, language barrier or another dependency such as personal relationships or substance abuse issues.”

It is often the foreign worker who is at risk of being the victim of work-related exploitation. In cases, a person's incomplete knowledge of the rules of Finnish working life or their con-

cern about their own work and residence permit is often abused. The risk of abuse is also increased by a language barrier.

“Such exploitation of a particularly vulnerable worker occurs both inside and outside the construction industry. Companies must commit themselves to eradicating the above-mentioned activities by all possible means, first and foremost by developing ways to prevent exploitation and ensuring that, if exploitation occurs, situations can be identified and effectively addressed”, comments **Juhana Häkkänen**, YIT's Vice President, Supply Chain Management.



How do I identify labor exploitation?

The identification of labor exploitation is not straightforward. The actions of an abusive employer may seem legitimate on the outside, and the person who has been abused may not meet the signs of obvious abuse.

In particular, serious forms of exploitation, such as human trafficking and similar phenomena, are often identified by the authorities, but private citizens also have the opportunity to detect signs of ill-treatment or exploitation.



Interaction plays a key role in bringing abuse to light. According to Lietonen, increasing open interaction on site is likely to help identify potential exploitation at the earliest possible stage. “What makes it difficult to identify work-related exploitation is that the victim may not even know that they are being abused according to Finnish law. This is why it is extremely important for the employee to know that they can safely approach other employees and management on the site”, she emphasizes.

A local employee may not have a common language with the victim of labor exploitation, but, for example, simply greeting or signifying for a coffee break helps to build trust between the non-native speakers and locals.

Labor exploitation is often not reported due to lack of information, but fear of losing one's job is also a factor. For this reason, even small gestures practiced on a construction site that show caring for a colleague's well-being are important. “Interaction with employees, no matter who their employer is, is absolutely essential in ensuring humane and fair treatment. It is also important for an employee who does not have knowledge of Finnish labor legislation to know it is okay to speak to management and colleagues, and that they do not get penalized for bringing forth any grievances”, Häkkänen describes.

A checklist for recognizing labor exploitation

The following checklist will help you evaluate whether you or a colleague on the work site may be experiencing work-related abuse. If multiple statements are true, contact site management and the employee representatives immediately

so that you can address the situation in the best possible way. Not all items on the list can be identified just by observing others, as they require open interaction and a confidential work atmosphere to emerge:

WORKING

- ✓ Employees work very long days on site without separately agreeing with the main contractor
- ✓ Employees work a lot on weekends and / or at night
- ✓ Employees don't seem to take their breaks
- ✓ Employees do not clock in their working hours correctly despite being notified about it



BEHAVIOUR AND INTERACTION

- ✓ The employee avoids authorities or employee representatives, such as shop stewards
- ✓ The employee seems nervous or scared
- ✓ Another person is acting on behalf of the employee, and the employee does not speak Finnish or English
- ✓ The employee does not know the employment terms in Finland or in the construction industry

RESIDENCE AND HOUSING

- ✓ The identity card or Valtticard presented by the employee belongs to another person
- ✓ A comparison of employee data shows that several people have provided the same address and / or telephone number for their contact details
- ✓ The employee lives in a shared accommodation with several people in the same room, although the space is not intended for that many people



AGREEMENTS AND DOCUMENTS

- ✓ The employee has paid a recruitment fee to an employment agency or another party for getting the job
- ✓ The employee is being charged excessive costs for accommodation, transport or equipment
- ✓ The employee does not have a written employment contract
- ✓ The employee's passport or other personal documents are in the possession of someone other than themselves

MONEY

- ✓ The employee owes money to their employer or employment agency
- ✓ The employer charges the employee for commuting and / or accommodation
- ✓ The employee's employer is far down in the subcontracting chain (so-called chained contractor)



What to do if I detect or suspect labor exploitation?

If you suspect that you or another employee has been the victim of labor exploitation, contact your supervisor or the main contractor's representative, such as your foreman, or go directly to the authorities. The representative of the main contractor must always take the suspicion forward, and the situation will be investigated in accordance with the company's instructions.

Suspicions can also be reported through the company's ethical reporting channels, if necessary, anonymously.

It is good to know that the employee must not be caused grievance in any way by any investigations. In accordance with corporate human rights due diligence, companies must always take corrective action in the event of possible human rights violations.

In the event of a problem, you can also advise a colleague you suspect of being a victim of abuse to contact the parties listed below. It may also be good to emphasize that in Finland you receive appropriate and safe treatment from the authorities:



1. Regional employee representative or chief shop steward
2. Crime Victim Support (RIKU) **tel. 116 006** and telephone advice from the organisation's lawyer **0800 161 177** (contact can also be made anonymously)
3. Assistance system for victims of human trafficking, **+358 295 463 177** (contact can also be made anonymously)
4. SAK's immigrant counseling service **workinfinland@sak.fi** The expert also serves on **0800 414 004**.

Prevention of labor exploitation

According to Lietonen, combating labor exploitation requires efforts from the society as a whole, from the authorities, legislation and companies. "Companies' own actions have a clear role to play in preventing labor exploitation. Companies must have strong contracts and review their contract terms. Despite the law, fraudulent actors often succeed in circumventing the requirements, so the role of corporate responsibility is emphasized in the fact that companies must do more than the law requires", Lietonen explains.

For example, in order to enhance the human rights of all employees, YIT has made a decision as a leading player in the construction industry to require a Finnish Residence permit for an employed person, for posted employees coming from outside the EU and EEA in contracts concluded in Finland as of 1 October 2021. The requirement applies to the entire contract chain.

The policy minimizes the risk that Finnish employment terms would not be observed in employees' employment relationships. If a posted employee from outside the EU and EEA is employed, for example, by a Polish subcontractor, there is a risk that the employee will be satisfied with the terms and conditions of the employment contract in Poland and Polish employment agreements, even though the Finnish collective agreement should be observed.

YIT also encourages other players in the construction industry to take action to meet the common challenge, both through preventive measures and by identifying and correcting problematic situations that have already arisen.