

Foreword

According to the U.S. Census Bureau, in 2016, the United States imported \$124 billion in clothing and footwear. Before goods make their way to store shelves, they follow a long and winding path through a supply chain – the complexity of which no collar tag can capture. The journey begins in fields that grow cotton and on the cattle farms that provide the hides, proceeds through spinning mills and tanneries, and ends on the floors of factories or homes where the shoes are cut and assembled or the garments are sewn. Sometimes work produced for major international brands is subcontracted out, at times without the brand's knowledge, to medium-sized factories and home-based workshops.

Unfortunately, there are sometimes hidden, non-monetary costs associated with the goods Americans purchase. Abusive labor practices, such as forced labor and child labor, harm millions of children, women, and men by enabling goods to be produced at artificially low prices. These practices create not only human rights abuses, but they create an uneven playing field, making it hard for businesses that play by the rules to compete. A country's failure to stop the exploitation of its labor force undermines the well-being of American workers and other workers around the world. This reality impacts us as consumers, as we all run the risk of indirectly and unwittingly contributing to the perpetuation of shadow industries,

where goods are made on the backs of children and modern-day slaves. The complexity of many global supply chains makes it challenging for consumers to know where to buy untainted goods or what they can do to help address the problem.

All this raises the question: What can be done to stop these abuses?

The primary mission of the U.S. Department of Labor's (DOL) Bureau of International Labor Affairs is to promote a fair global playing field for workers in the United States and around the world by enforcing trade commitments, strengthening labor standards, and combating international child labor, forced labor, and human trafficking. There are an estimated 152 million child laborers, roughly 10 percent of the world's child population and almost half – 73 million children – are used in hazardous work, such as spraying pesticides, descending into mineshafts, or diving underwater to untangle fishing nets.^[1] Millions of children are used in prostitution, the production of pornography, domestic servitude, forced begging, drug trafficking, or are forcibly recruited for use in armed conflict. Worldwide, there are also 25 million adults and children in forced labor.^[1] These newly released 2016 global estimates from the International Labor Organization underscore the urgency of our response.



R. Alexander Acosta
U.S. Secretary of Labor

President Trump's 2017 National Trade Policy Agenda includes "enforcing labor provisions in existing [trade] agreements and enforcing the prohibition against the importation and sale of goods made with forced labor." The Trade Facilitation and Trade Enforcement Act also strengthens the U.S. government's ability to prevent goods made by forced labor from entering the United States. DOL remains committed to contributing our expertise in this area by working collaboratively with the U.S. Customs and Border Protection (CBP) as they enforce this prohibition.

This month, we release the 16th edition of the annual *Findings on the Worst Forms of Child Labor*, a report born from the idea that trade should be fairer for all. Mandated by the Trade and Development Act of 2000 (TDA), which expanded eligibility criteria for the Generalized System of Preferences (GSP) program, this report shines a spotlight on specific sectors in which child labor, including forced labor and trafficking, persists, and describes the progress some countries have made in upholding their international commitments to eliminate these practices. The report offers recommendations to address these injustices and protect children through improved laws, policies, and practices. Unfortunately, the report also demonstrates how much work is needed to end child labor.

This report provides specific, actionable information to the governments of GSP-beneficiary countries regarding how best to combat labor abuses. Companies also use the report as a critical input into risk assessments, to conduct due diligence on their supply chains, and to develop strategies to address the problem. Our own federal government agencies use the report to safeguard federal procurement by informing procurement officers of risks in sourcing products and services. DOL uses this report to reveal hidden exploitation and partner with countries working to end labor abuses. Through these partnerships, we have rescued and provided educational opportunities to nearly two million children, helped almost 170,000 families meet

their basic needs without relying on child labor, and contributed to reducing child labor by more than 94 million worldwide. This month, we are releasing an updated version of our *Sweat & Toil* app, which puts more than 1,000 pages of this report and other DOL research on child labor and forced labor in the palm of your hand.

DOL offers another free, comprehensive online toolkit for businesses seeking to develop robust social compliance systems for their global production. DOL also released a new mobile version of this toolkit – *Comply Chain: Business Tools for Labor Compliance in Global Supply Chains*, making this information more accessible to companies and the public. The power of digital technology is increasingly harnessed to combat labor abuses in supply chains through data collection, supply chain tracing, grievance reporting, and other mechanisms, and DOL is part of that trend. Because of our ongoing commitment to help business develop new tools and test new models to address abuses, we are funding a new initiative to support robust social compliance systems in coffee supply chains that help raise labor standards and safeguard against abusive working conditions. Together, we can ensure that the products we buy are made in a way that is consistent with American values.

Producing goods with exploited labor is simply wrong and gives countries and businesses an unfair competitive advantage. We must do our part to end exploitation and expose those who engage in abusive labor practices. The challenge is immense, but so are the opportunities for progress. The information in this report can help us all take concrete steps to make these injustices a relic of the past.

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Secretary of Labor
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