



Guide for GECA furniture licensees

HUMAN AND LABOUR RIGHTS



**SUSTAINABLE
BUSINESS MATTERS**

If you've just read August's blog, then you will know that there have been changes to the certification requirements in the revised GECA furniture standards. One of the new requirements focuses on human and labour rights. This new inclusion is under the social and legal compliance section of the GECA standard.

Introduction

End users of your products and major construction companies want their suppliers to have supply chain due diligence to ensure that they (end user or specifier) are not purchasing products where there is the potential for human rights abuses. This is one of the key reasons why human and labour rights have been included in the revised standards.

This may be a little foreign to some of you so we have put together this guide to help you work with this new requirement.

Level B Furniture and Fittings Standard – Social and legal compliance, human and labour rights

GECA requirement - The manufacturer/applicant company shall promote social justice and internationally recognised human and labour rights on the basis of 'continual improvement' for the suppliers. The manufacturer/applicant shall aim to implement the following measures.

Licensees will need to do some work with their Tier 1 suppliers, e.g. suppliers of components that make up their products. We would suggest that you work with suppliers where you have the most influence and or suppliers that are most at risk of human and labour rights. Suppliers in developing nations may be considered higher risk, although this doesn't always apply.

The first step in this process is to MAP your supply chain

You will need to map out all the suppliers that make up the piece of furniture. For example, for a workstation, it would be the suppliers of all the individual components including metal frame, table tops, plastic components etc. You can then determine the suppliers that make up at least 50% of the spend. Put all this information into a spreadsheet, including the supplier's name, contact details, the component, material supplied, location of the supplier. Also document your level of influence over that supplier and the associated risk.

Second step is implementing a Suppliers Code of Conduct

The second part of this criteria is the documenting of a Suppliers Code of Conduct

(SCoC) for the suppliers that make up at least 50% of the spend. The SCoC should list all the International Labour Organisation (ILO) conventions (human & labour rights) in the GECA Level B standard, e.g. no child or forced labour, anti-corruption or bribery, implementation of health and safety procedures and training etc. Check the GECA Level B standard to ensure you have all listed elements, including environmental compliance requirements.

The Suppliers code of conduct is to be issued to your suppliers asking them to comply with the elements of the code. If your suppliers are based in Australia, Europe, Scandinavia, UK and the US, then it is more likely that they will be compliant to a number of the ILO conventions. Although, we would suggest that you ask for evidence of compliance, for example, how they address 'anti-corruption and bribery'. If your manufacturers are based in developing nations, then this may get a little trickier. They may not comply with all elements of the code so you could ask them if they would consider addressing and adopting the elements listed in the code.

From our experience working with clients and their suppliers in the area of human and labour rights, this can be a little challenging, initially. Your suppliers will want to know WHY you are asking them to comply with this code and what your expectations are. You really need to communicate that this is a process and is about continual improvement. It may take time for your suppliers to get these elements embedded into their business. You can't expect perfection from the beginning and this should be communicated to your suppliers, hence the third criterion requirement in the Level B standard – assessments and scorecards.

International Labour Organisation (ILO) –The ILO brings together governments, employers and workers representatives of 187 member States, to set labour standards, develop policies and devise programmes promoting decent work for all women and men. [Click here](#) for more information about the ILO – there is a great short video outlining the purpose of the ILO.

Third Step in the process is Assessment and Scorecards

Consider how you will assess your supplier. Do you have a questionnaire asking them how they comply with the elements of your code of conduct; do you ask for evidence (e.g. copies of their health and safety policies, training & induction records); and/or do you conduct checks or audits when you visit your suppliers? Consider how you will rate them on the scorecard. Are they meeting expectations or exceeding expectations? Rate them on the elements of the code – for example, do they comply with the health and safety criteria, but need more work done in the area of anti-corruption and bribery – and mark them accordingly. For more information about how we can help you with Sustainable Supply chain Management, [please visit our services page on our website](#).

Level A Furniture, Fittings, Foam and Mattresses – Social and legal compliance, human and labour rights

This requirement, like the criteria in Level B, promotes social and ethical practices and compliance with the International Labour Organisation's (ILO) conventions. The ILO Conventions that need to be addressed include:

1. Conventions 87 and 98 – Freedom of Association and Collective Bargaining;
2. Conventions 29 and 105 – Elimination of Forced and Compulsory Labour;
3. Conventions 100 and 111 – Elimination of Discrimination in respect of employment and occupation;
4. Convention 155 – Occupational Safety and Health and its accompany recommendations No. 164 and
5. Convention 161 – Occupational health services and its accompany recommendations no: 171

You have a number of options as to how you can address the above ILO Conventions.

Option 1 – SA8000 (Social Accountability)

The SA8000® Standard is the leading social certification standard for factories and organisations across the globe. It was established by Social Accountability International. Over the years, the standard has evolved into an overall framework that helps certified organisations demonstrate their dedication to the fair treatment of workers across all industries and countries.

SA8000 measures social performance in eight areas important to social accountability in workplaces, anchored by a management system element that drives continuous improvement in all areas of the standard. It is appreciated by brands and industry leaders for its rigorous approach to ensuring the highest quality of social compliance in their supply chains.

The SA8000 is an auditable standard. There are approximately 3800 companies worldwide that have the SA800 certification. Check with your suppliers and ask them if they have the SA8000 certification.

Option 2 – UN Global Compact

The UN Global Compact (UNGC) is the world's largest corporate sustainability initiative. It is a framework that is both a policy platform and a practical framework for companies that are committed to sustainability and responsible business practices.

Becoming a signatory to the UN Global Compact requires your organisation to address 10 guiding principles based on human and labour rights, the

environment and anti-corruption. Your Director is required to sign a statement of commitment addressing these 10 principles and the Sustainable Development Goals, and then take action to address these guiding principles and produce an annual Communication on Progress (CoP). The CoP reports the work you have done to address these principles.

The cost for becoming a signatory is minimal and the UN Global Compact has a HUGE amount of resources to assist you through this process. We've also written a little about the UNGC on the Sustainability Business Matters website. A summary of what the Global Compact is, what the 10 guiding principles are and a list of other companies who are also signatories (e.g Westpac, Comm Bank, NAB, Lendlease, GPT, Stockland's) is available on our website.

The UNGC is not an auditable standard – it is based on self-disclosure. For more information:

- [Sustainable Business Matters website](#)
- [UN Global Compact website](#)

Option 3 - Ethical Trading Initiative

The Ethical Trading Initiative (ETI) is a leading alliance of companies, trade unions and NGOs that promotes respect for workers' rights around the globe. Most of these workers are employed by supplier companies often based in poor countries where laws designed to protect workers' rights are inadequate or not enforced. Companies with a commitment to ethical trade adopt a code of labour practice that they expect all their suppliers to work towards. Such codes address issues like wages, hours of work, health and safety and the right to join free trade unions.

If you want to know more about ETI and what members sign up too, [click here](#).

GECA requires licensees to become a signatory to the UN Global Compact OR the Ethical Trading initiative (ETI) within 6 months of certification.

Option 4 – ISO26000 Guidance for Social responsibility

Evidence of an implemented and third party assessed 26000 system. The ISO 26000 is the international standard developed to help organisations effectively assess and address those social responsibilities that are relevant and significant to their mission and vision; operations and processes; customers, employees, communities, and other stakeholders; and environmental impact.

This is a guidance document that has been developed by the International Standard Organisation. The focus of this guidance document is on social responsibility

The ISO2600 standard addresses seven core aspects of social responsibility: human & labour rights, the environment, fair operating practices, consumer issues, community involvement and organisational governance. [For more information click here.](#)

It can seem like a lot to take in when you're considering how to work with the human & labour rights section of the standard and how it fits with your business. But it doesn't have to be – if you would like to know more, please book in your free 1 hour consultation for the first 5 callers. Offer expires 30 SEPT 17.

Further Reading

Sustainable Business Matters has written a number of blogs on the importance of human and labour rights issues and how this should be incorporated into supply chain.

If you want to know what the market is demanding in relation to human and labour rights and how this will make you more competitive, please read the blogs below.

[Sustainability trends driving business for product manufacturers](#)

[Sustainable Supply Chain – An introduction](#)

[Who are the leaders in Sustainable Supply Chain Management?](#)

We are here to help?

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