



The Honorable Tom Cole  
Chairman, House Appropriations Sub-  
Committee on Labor, Health and Human  
Services, and Education  
2306 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Rosa DeLauro  
Ranking Member, House Appropriations  
Sub-Committee on Labor, Health and Human  
Services, and Education  
2413 Rayburn House Office Building  
Washington, D.C. 20515

Dear Chairman Cole and Ranking Member DeLauro:

The Business Coalition for ILAB, a broad-based business coalition supporting full funding for the Department of Labor's Bureau of International Labor Affairs (ILAB), urges the Committee to provide full funding for the U.S. Department of Labor's Bureau of International Labor Affairs (ILAB) within the FY2019 Labor, HHS, Education Appropriations Bill.

The Business Coalition for ILAB was created under the auspices of the Business Council for Global Development (BCGD), a coalition of leading businesses based in the United States, dedicated to advancing market – based economic development and responsible business. ILAB promotes 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. Maintaining ILAB's full funding and authority for both its programs and its grant-making is necessary so that this important work can continue.

The Coalition applauds the bi-partisan agreement to maintain current levels of funding for ILAB in the fiscal year 2018 Appropriations bill. The Business Coalition for ILAB again urges the Committee to request full funding for the U.S. Department of Labor's Bureau of International Labor Affairs (ILAB) in 2019.

Thank you for your consideration of this matter.

Sincerely,

The Business Coalition for ILAB

American Apparel & Footwear Association  
The Walt Disney Company  
Responsible Business Alliance  
Fruit of the Loom, Inc.  
Gap Inc.  
Hasbro, Inc.  
The Reformation

Hewlett Packard Enterprise  
Levi Strauss & Co.  
Mars, Incorporated  
Smucker's  
U.S. Council for International Business  
VF Corporation



Business Council for Global Development, LLC

The Honorable Roy Blunt  
Chairman, Senate Committee on Appropriations Subcommittee on the Departments of Labor,  
Health and Human Services, Education, and Related Agencies  
260 Russell Senate Office Building  
Washington, D.C. 20510

The Honorable Patty Murray  
Ranking Member, Senate Committee on Appropriations Subcommittee on the Departments of  
Labor, Health and Human Services, Education, and Related Agencies  
154 Russell Senate Office Building  
Washington, D.C. 20510

September 6, 2018

Dear Chairman Blunt and Ranking Member Murray:

The Business Coalition for ILAB, a broad-based coalition of businesses supporting full funding of the Department of Labor's Bureau of International Labor Affairs (ILAB), including its grant programs, applauds your committee's decision to fully fund ILAB within the FY2019 Labor, HHS, Education Appropriations Bill.

As the Congress goes to conference to finalize the funding for ILAB, we respectfully urge the conferees to support the Senate mark and oppose any amendments affecting this funding.

ILAB promotes 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. ILAB provides invaluable expertise and programs, along with its grants, all of which are important to our member businesses.

Maintaining ILAB's full funding and authority for both its programs and its grant-making is necessary so that this important work can continue.

Thank you for your consideration of this matter.

Sincerely,

**The Business Coalition for ILAB:**

American Apparel & Footwear Association; Fruit of the Loom, Inc.; Gap Inc.; Hasbro, Inc.; Hewlett Packard Enterprise; The J.M. Smucker Company; Levi Strauss & Co.; Mars, Incorporated; The Reformation; Responsible Business Alliance; U.S. Council for International Business; VF Corporation; and The Walt Disney Company.

cc: The Honorable Richard Shelby  
The Honorable Patrick Leahy

The Business Coalition for ILAB is a project of the Business Council for Global Development.





**Claude Fontheim, Chairman & Lindsay Singleton, Director, Business Council for Global Development on behalf of the Business Coalition for ILAB  
Testimony Submitted to the House Committee on Appropriations  
Subcommittee on Labor, Health and Human Services  
Thursday, April 26<sup>th</sup>**

**ILAB's Grant Programs: Promoting a Fair Global Playing Field by Building Capacity to Address Child and Forced Labor and Other Abusive Labor Practices**

The Business Coalition for ILAB supports full funding (\$86.1 million) for the U.S. Department of Labor's Bureau of International Labor Affairs (ILAB). This in contrast to the FY19 White House budget request, which seeks to reduce the ILAB budget to \$18.5 million and strip ILAB of critical funding for grants programs that foster the strengthening of labor standards and address child labor, forced labor, human trafficking, and other abusive labor practices.

In the words of Secretary of Labor R. Alexander Acosta, ILAB's "primary mission . . . 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." This is precisely why our Coalition supports full funding for ILAB. Our coalition's membership includes the **American Apparel & Footwear Association, the Walt Disney Company, the Responsible Business Alliance, Fruit of the Loom, Inc., Gap Inc., Hasbro, Inc., the Reformation, Hewlett Packard Enterprise, Levi Strauss & Co., Mars, Incorporated, The J.M. Smucker Company, the U.S. Council for International Business, and VF Corporation.** The breadth of our coalition reflects the importance of ILAB programs to U.S. business and its commitment to combatting labor abuses in its supply chains.

ILAB's funding of innovative technical assistance projects supports the work of governments, businesses, and labor and civil society organizations in a broad range of sectors in countries around the world. Coupled with ILAB's cutting-edge research on relevant laws, policies and approaches for monitoring and remediation, these projects help both governments and the private sector respond more effectively in areas with the greatest risks of abusive labor practices.

ILAB's grant programs focus in particular in combating practices that have resulted in an estimated 152 million child laborers and 25 million adults and children in forced labor worldwide, according to the International Labor Organization (ILO) and the Walk Free Foundation. With respect to child labor alone, ILAB-funded projects have rescued and provided educational opportunities to nearly two million children and helped nearly 170,000 families avoid relying on child labor. These grant programs are central to fulfillment of ILAB's mission and to building the capacity of governments and the private sector to investigate, monitor, and respond to abuses.

Several ILAB-funded programs directly engage business along with governments. For example:

- ILAB funds a **pilot project by the Fair Labor Association and Nestlé to reduce child labor in hazelnut production in Turkey**. Nestlé and two first-tier hazelnut suppliers, Balsu and Olam-Progida, are piloting the *USDA Guidelines for Eliminating Child and Forced Labor in Agricultural Supply Chains* to help analyze supply chains for risks of child labor and forced labor, implement remediation efforts, and strengthen grievance mechanisms for child labor, forced labor, and other abuses. It also provides resources to strengthen government and community partnerships to address these issues.

- ILAB works in close **partnership with several major chocolate manufacturers and cocoa processors to combat child labor in cocoa production in Côte d'Ivoire and Ghana**, which together account for a majority of the world's cocoa production. From 2011-2015, ILAB and the cocoa industry dedicated over \$10 million each for new projects to remove children from hazardous and exploitative labor, offer them education and training opportunities, and help families overcome the need to rely on the labor of their children to meet basic needs. In 2015, ILAB provided an additional \$12 million to support priority actions to prevent and reduce child labor in West African cocoa that leveraged private sector commitments under the auspices of the World Cocoa Foundation's CocoaAction Program.
- ILAB is the sole funder of the **ILO-International Finance Corporation Better Work Haiti (BWH) program**, which assesses and improves labor compliance for all exporting apparel factories in Haiti. In carrying out its assessments of factory-level compliance as mandated by Congress under the Haitian Hemispheric Opportunities through Partnership Encouragement Act (HOPE II), ILAB has partnered with numerous U.S. brands sourcing from Haiti. ILAB and these brands have worked together to improve compliance issues in Haitian factories, press for factory-level remediation, and build government capacity with respect to labor law enforcement and administration.
- ILAB's support for occupational safety and health initiatives through its **Safe and Healthy Youth project** reduces workplace injuries and helps U.S. companies address supply chain issues in several countries worldwide. Last year, Disney became the first company to commit its own resources in alignment with the program, providing \$1 million for tools and strategies for disseminating information to workers and employers on occupational

safety and health. The project supports activities in Indonesia, Myanmar, the Philippines, and Vietnam.

In several other cases, ILAB funding has made it possible for both governments and the private sector to respond to various labor rights challenges. For example:

- ILAB-funded research on forced labor in the **electronics sector in Malaysia** helped spur new industry commitments to tackle the issue in innovative ways through companies' supply chains.
- A project to address child labor and improve working conditions in **artisanal and small-scale gold mining in Ghana and the Philippines** involves both the training of government officials and strengthening the capacity of private sector organizations – including by utilizing the Child Labor Guidance Tool for Business developed jointly by the ILO and the International Organization of Employers.
- A project in **Madagascar, the world's leading producer of vanilla**, is helping local communities through educational services while also providing several mechanism to assist vanilla exporters in implementing the code of conduct agreed to in 2015 to eliminate child labor in the vanilla supply chain.

Many other ILAB grant programs are focused on making foreign governments more effective in combating child labor, forced labor, and other labor rights abuses through better monitoring and enforcement, improved data collection, and related initiatives. This has included the training of over 50,000 labor inspectors and law enforcement officials and the development of community-based approaches to monitoring child labor in numerous countries.

ILAB's technical assistance funding has also helped empower non-governmental organizations to monitor and report on abusive labor practices, press for more effective government actions in response, and make it more difficult to hide such practices. For example:

- An ILAB-funded **partnership with the ILO in Peru** not only provides legal guidance, monitoring tools, and extensive training programs to help the government combat forced labor, but also supports an online platform to help workers submit forced labor complaints and implements a new collaboration between Peruvian and experienced Brazilian labor inspectors and law enforcement officials.
- A five-year project with the **non-profit GoodWeave to reduce the worst forms of child labor in home-based carpet production in Afghanistan** has enabled GoodWeave to develop a new social compliance monitoring system, provide technical support to partner companies to implement its certification standard, expand an independent third-party verification system, and create direct links to retailers and consumers for child labor-free carpets.

ILAB programs create a more level playing field for American business and employees, who otherwise must compete with labor made cheaper by abuses in countries with weak Rule of Law. As developing countries contend in a race towards the bottom, U.S. businesses suffer. ILAB programs work to prevent this, while also helping develop middle classes in emerging economies that will consume American products. American businesses are more able to support jobs at home when their products are being consumed abroad and increasing the profitability of their companies. For these reasons, the Business Coalition for ILAB supports full-funding in FY19 for ILAB and its programs.