

## 8. Deposits

### The issue

One form of forced labour is the use of deposits or the required lodging of personal documents such as identity papers which can make it difficult, or impossible, for workers to leave.

This includes situations where factories retain workers' passports, identity cards or residential permits,

take deposits, withhold pay or prevent workers from leaving the site.

Forced labour is particularly common among migrant populations.

While companies operating legally do not normally employ some of the more common forms of forced labour, many still use practices such as deposits.

It is therefore important to ensure that all parts of the supply chain understand the Kingfisher policy and where necessary checks are carried out to ensure it is being implemented.

**Kingfisher expects that factories do not use any form of forced, bonded or involuntary labour including the use of deposits.**

### Deposits are sometimes taken for a variety of reasons including:

- For tools or uniform
- For ID badges
- To pay for training fees
- To pay for the travel or passage of an employee

- To pay for middle men who act as recruitment agents
- For use of dormitories

Factories managers might be using deposits as a means of dealing with problems like uniform or equipment being lost or damaged. If this is the case workers should **only** be charged if it occurs and the amount charged should reflect the cost of the item.

### If a deposit system is used

- It must be legal – many countries do not allow for the taking of deposits in workplaces.<sup>1</sup>
- The amount charged **must** be proportional to the cost of any item (for example the ID badge or uniform).
- It must be clearly explained and documented, including when the sum is to be returned.
- Under no circumstances should workers be required to submit original identity papers or residency permits to employers.

<sup>1</sup> This includes China – Clause 24 'employers signing labour contracts with employees shall not take deposits, materials or employment guarantees from the employee'.

### What can I do?

- If you are holding illegal deposits they must be immediately refunded and you should record the refund
- If you need to take copies of workers' identity papers you must return the originals to the workers and ensure that they have somewhere safe to keep them.
- (If these documents are held for safekeeping there must be a system for the workers to freely obtain their papers).
- Institute policies and procedures to prohibit the requirement that workers lodge financial deposits with the company.
- Find out whether forced labour is a problem in your industry and country, and if it is, check that in your supply chain you have implemented similar procedures.