

Mucho Moolah, Sweatshop Standards

Despite being a jewel in the crown of Chile's export economy, the salmon aquaculture industry is plagued by poor workplace and labour standards

The salmon industry is one of the jewels in the crown of Chile's export economy, which has grown at an average annual rate of 15 per cent over the last 15 years. Although production has stagnated in the last couple of years, the value of exports has not. In 2006, salmon exports reached US\$2.2 bn, up 28 per cent over 2005, despite a fall in production. Projections for 2007 predict earnings in excess of US\$2.5 bn, assuming that demand increases will be sustained in the international markets, which take 98 per cent of Chile's farmed salmon production.

The Los Lagos (Xth) Region is Chile's salmon centre, concentrated around Puerto Montt and the island of Chiloe, producing over 90 per cent of Chile's salmon and employing around 50,000 people, some 60 per cent being women.

But gradually salmon-growing and export-processing facilities are being established further south in Chile's most southerly, least populated, most isolated regions, where pristine environmental conditions provide ideal growing conditions.

But working in Chile's salmon aquaculture sector entails dangers to health and safety, and has led to some fatalities. Using data from the Chilean Navy, the Labour Directorate, and the governments of the Los Lagos and Aisén Regions, the non-governmental organization, Centro Ecoceanos, has recorded that between February 2005 and April 2007, 42 workers in the aquaculture—mainly salmon—industry have been

killed at work, or have gone missing, presumed dead.

They were engaged as divers (to inspect, maintain and repair cages), salmon feeders, workers who maintained and serviced the salmon cages and related infrastructure, security guards, and feed-plant and fish-plant processing workers.

Most of the workers are in the export-processing plants, where, according to Directorate of Work data, 91 per cent of the tasks are carried out by women, many being single parents. They work shifts, both day and night. Fewer workers are engaged in the rearing centres.

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Safety standards

Centro Ecoceanos alleges that in most cases, the high death toll could have been avoided if health-and-safety standards had not been compromised, and if proper training and equipment had been provided. While the salmon industry in Chile might be a giant in the export sector, reporting First-World earnings, it seems that Third-World standards are applied to working conditions and environmental regulation, says Juan Carlos Cardenas, Director, Centro Ecoceanos.

*This article by **Brian O'Riordan** (briano@scarlet.be) has been compiled from various sources*

Cardenas points out that multinationals own 36 per cent of Chilean salmon-producing companies, but apply double standards in Chile that contravene the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. These are designed to promote corporate social and environmental responsibility, and deal with employment

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and industrial relations, human rights, environment, information disclosure, bribery, consumer interests, science and technology, competition and taxation.

Noteworthy among the multinational companies is Marine Harvest, the biggest corporation operating in Chile, bought by Norwegian billionaire John Fredriksen on 6 March 2006 for Euro1.175 bn. Unfortunately, the record of Marine Harvest shows a big gap between the standards applied in Norway and Chile. Marine Harvest has incurred a long list of penalties for not complying with the labour laws. The report of the National Labour Directorate, given

to the Chamber of Deputies' Fisheries Committee for its 'salmon review', details some 80 fines applied by the Inspectors of Work in the Xth Region, with amounts totalling more than 63 mn pesos.

In a letter dated 1 June 2007 to Sven Aaser, the Group Chief Executive of Marine Harvest, representatives of Chile's salmon workers pointed out that many workers in Chile's salmon industry receive wages of around US\$285 or Euro210 per month, that more than half have no life insurance coverage, and that more than three-quarters have no disability insurance.

On 14 December 2005, Javier Velásquez Millán, aged 24, died following an accident at work at Marine Harvest's Chamiza plant. According to the accident report, Velásquez was carrying out his duties normally. A forklift truck passing close to where he was working tipped over because the floor was not level. The load it was carrying fell on him, killing him immediately. According to his workmates, Velazquez was not provided with any protection. The accident report further states that the surface on which the truck was working was not safe for operation without risk.

In August 2006, two senior executives at the Marine Harvest Chamiza plant were charged with involuntary homicide for their part in the accident. Simultaneously, the family of the victim mounted a claim for compensation. Despite the progress made in the case, according to Jaime Gatica, the lawyer acting for the deceased worker's family, "Marine Harvest has tried to evade and minimize its responsibility in the accident. It has not behaved in a direct or transparent way. This transnational has shown zero corporate social responsibility." To date, Marine Harvest has refused to pay any compensation to the family of the deceased worker, and has not admitted any liability in this and other accidents at work.

Based on this and similar incidents, Cardenas calls for a wide-ranging discussion on the real environmental, economic and social costs of salmon farming in Chile, and a review of alternative models of aquaculture that could serve to establish more democratic and so-

COORDINADORA DECIMA SUR



A poster protesting against working conditions in Chile's salmon aquaculture industry

cially just production systems that promote environmental sustainability and cultural diversity. Without such a process, Cardenas believes, the Los Lagos, Aisén and Magallanes Regions (Regions X, XI and XII) could be transformed into a kind of 'salmon republic', with laws dictated by feudal salmon bosses to maximize offshore profits, leaving a social and environmental desert in their wake.

Official statistics reveal a high rate of accidents at work in the Los Lagos Region, where 90 per cent of Chile's salmon is produced. In 2005, accident rates were 11.2 per cent in the rearing units and 13.9 per cent in the processing plants, far above the national average of 7.96 per cent for industrial workers. According to industry sources, 73 per cent of accidents occur in the processing plants, 19 per cent on marine sites, and 5 per cent in the feed plants. Centro Eoceanos says that the maritime authorities acknowledge that only 5 per cent of the accidents and illnesses suffered by divers operating in the salmon industry are reported.

Over the last few years, according to the National Directorate for Labour, two-thirds of the salmon companies in the Xth Region have violated the labour laws. During 2003-2005, a total of 572 programmed inspections were carried out, 404 of which resulted in fines, equivalent to a violation rate of 70 per cent.

The main violations relate to:

- employment of casual labour (lack of contracts);
- violation of health-and-safety rules at the workplace;
- unsafe underwater working conditions;
- violation of maternity rules; and
- anti-trade-union practices, including violation of the right to association, and harassment of union members and leaders.

Divers employed in the salmon industry are particularly vulnerable to occupational ailments and accidents. There are around 4,000 divers in the industry, of whom 100 are commercial divers certified to international standards. The rest are workers from the ar-

tisanal fishing sector who have learned diving from friends and relations. They undertake about 4 mn dives a year. For the 20 years that they have been diving for the salmon aquaculture industry, there has been no professional regulation of their work. Only in 2005 did the Chilean Navy modify the Diving Regulation for Professional Divers Act, to focus on regulating the work in the salmon industry.

A small proportion (less than 10 per cent in 2006) of the so-called 'shellfish divers', who are allowed to dive to 20 m, had obtained 'intermediate shellfish divers' licences that permit them to dive to 36 m. The intermediate shellfish diver qualification requires the use of newer, safer equipment. However, training is a major problem. In the first qualifying examination carried out by the Chilean Navy in April 2006, only 18 of the 216 workers who took the test passed.

The shellfish divers are more prone to accidents (reporting a rate of 80 per cent) than commercial divers (20 per cent). The latter are much better qualified and trained, but the salmon industry does not hire them for reasons of cost. A commercial diver's charges are four times more than a shellfish diver's.

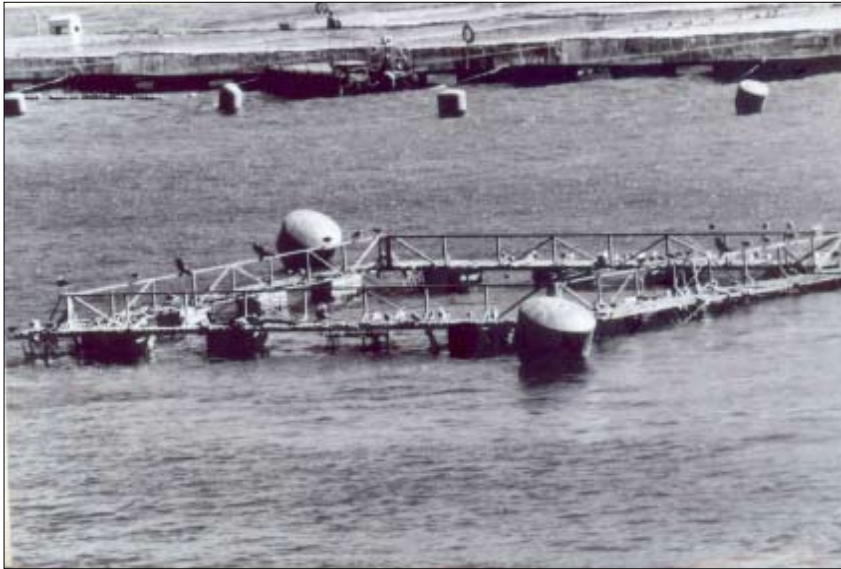
Mariscope, a commercial oceanographic research company, has documented cases of shellfish divers in rearing centres diving to 42 m, and some have admitted going down to 65 m. According to Mariscope, of the 157 shellfish divers surveyed, 87 per cent have been affected by diving-related illnesses during their working lives.

On 5 July 2006, the Special Ses-

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sion of the Chilean Chamber of Deputies, analyzed allegations of low environmental and labour standards in the salmon industry. Labour Minister Osvaldo Andrade stated, "The work-

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Working in salmon fish cages in Chile, like the one above, entails dangers to health and safety

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place conditions and equipment used lack certification, the workers are not competent or trained, and, given that cages are more than 20 m deep, and that 'yo-yo' diving practices are used, involving multiple decompressions, frequent accidents are common, often not reported, with a regrettable fatality rate."

Illustrative of the disregard for the health and safety of workers is the reaction of the salmon industry to the earthquake that hit Chile's southern Aysén Region on Saturday, 21 April 2007. The 6.2-magnitude earthquake caused landslides and waves up to 6-m high, killing around 10 people (three confirmed, and seven missing, presumed dead), including four salmon

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farm workers.

In January 2007, earth tremors in Aysén prompted the government to open discussions with the industry on suspending activities in the Aysén fjord as a precautionary measure, based on specialist recommendations. Few com-

panies followed the advice, and César Barros, President of SalmonChile, the salmon industry association, denied that any such advice had been given. This drew harsh criticism from Chile's President, Michelle Bachelet, who said, "It is unacceptable in the context of the tragedy that occurred in Aysén, that there are people denying that the government, on several occasions, through the Emergency Committee, officially notified the salmon companies to make sure of their workers' physical safety".


Visiting the area soon after the tragedy, Bachelet told representatives of the salmon industry that all farm installations in the Aysén fjord should be relocated to ensure the safety of workers. Six weeks later, in early June, the industry, represented by SalmonChile, opened negotiations with workers and the Interior Ministry to formulate an agreement that would see workers assuming responsibility for their own safety when undertaking work on farm installations in the earthquake zone.


The legality of such an agreement was questioned by Osvaldo Andrade, Chile's Minister of Work. René Haro Delgado, Director of Work for the Aysén Region, stated that while such an agreement may have been signed with the mutual agreement of all parties, "it does not absolve the companies from their labour and civil responsibilities and the penalties that may eventually follow an accident at work."

Salmon companies divest their responsibilities as employers by subcontracting the supply of labour. A 2004 survey showed that subcontracting is increasing. In 1999, 42.9 per cent of Chilean companies used subcontractors to supply workers. In 2003 this had risen to 50.5 per cent. Centro Ecoceanos estimates that over half the workforce in the salmon industry is provided by subcontracting companies. It points out that the regional Directorate of Work has the capacity to make checks on only 12 per cent of the salmon industry installations. In the case of Aysén, the Regional Directorate of Work has no boats to carry out inspections of the farm installations around Aysén fjord, to verify whether or not facilities comply with health-and-safety rules, and whether measures are being implemented to en-

sure the safety of the salmon workers in this high-risk zone.

In 2002 the Research Department of the Labour Directorate published a study by Elías Apud entitled “Ergonomic Study in Salmon Plants of the Xth Region”, based on work carried out in three factories. The report recommends that Chile “moves towards what the International Labour Organization (ILO) calls ‘decent work’, which is no other than work that is dignified, safe, productive and well-paid, where the workers are treated as human beings, and are assured of their individual and collective rights”.

The ILO has recently adopted a new Work in Fishing Convention that guarantees decent work for workers in the fishing sector. Given the growing importance of aquaculture as both an economic and food-producing sector, it is important that aquaculture workers too are guaranteed decent working conditions. Corporate profits should not be gained at the expense of the workers in the sector, as currently seems to be the case in Chile. 

For more 

www.ecoceanos.cl

www.ecoceanos.cl/sitio/docs/radiografia_salmonicultura_ecoceanos.pdf

Ecoceanos News

www.sevenoaksmag.com/features/99_feat4.html

Salmon Country by Dawn Paley and Frédéric Dubois, Seven Oaks Magazine, March 2006

www.puresalmon.org/norway.html

The Pure Salmon Campaign

www.puresalmon.org/pdfs/Labor_letter_2.pdf

Letter to Marine Harvest from Chile's salmon unions