

# SALMON AQUACULTURE DIALOGUE

## Draft Standards for socially responsible salmon farming

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This document contains a first proposal for draft indicators and standards related to social and labor issues as developed by the Social Technical Working Group, and slightly revised by the Steering Committee of the Dialogue. These rough draft standards will be discussed at the upcoming meeting of the Salmon Aquaculture Dialogue on May 12-13, 2010 in Puerto Montt, Chile.

The Dialogue Steering Committee hopes to release a full suite of draft environmental and social standards in June for a formal, 60-day public comment period. Input from the meeting in Chile will be used to help shape the draft social standards that are included in the June release.



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## Purpose and scope of the Salmon Aquaculture Dialogue standards

The salmon Dialogue is a science-based forum initiated by World Wildlife Fund (WWF) in 2004. The goal of the Dialogue is to credibly develop measurable, performance-based standards that minimize or eliminate the key environmental and social impacts of salmon farming, while permitting the industry to remain economically viable. The standards can be the basis for an aquaculture certification program. They also can be used to benchmark other standards; incorporated into existing certification programs; adopted for government programs; and, potentially, be the foundation for buyer and investment screens. More information on the Dialogue, including details on the multi-stakeholder Steering Committee that governs the Dialogue, is available at <http://www.worldwildlife.org/salmondialogue>.

The Dialogue is an iterative, participatory, process that began with identifying the key environmental and social impacts of salmon production. Next, agreement is being reached on principles, criteria, indicators and standards, with each phase building on the previous phase. These terms are defined in the table below.

	<i>Definition</i>	<i>Non-aquaculture example</i>	<i>Aquaculture example</i>
<i>Impact</i>	The problem we want to minimize	Overweight	Water pollution
<i>Principle</i>	The guiding principle for addressing the impact	Maintain a healthy weight	Conserve and protect water resources
<i>Criteria</i>	The area to focus on to address the impact	Food consumption *	Effluents*
<i>Indicator</i>	What to measure in order to determine the extent of the impact	Calories	Nitrogen concentration in the effluent
<i>Standard</i>	The number and/or performance level that must be reached to determine if the impact is being minimized **	< 10 calories/pound of body weight/day	4 mg/L total nitrogen in effluent

\*For this example, only one criteria is listed, even though there often are several criteria for each principle, as well as several indicators for each criteria.

\*\*A number is not necessary when an indicator cannot be measured (e.g., the indicator for the principle “obey the law,” which might be “documentation of compliance with national and local regulations”).

One example of principle, criteria, indicator and standard that could be considered in the salmon Dialogue is as follows:

Principle: Manage disease and parasites in an environmentally responsible manner (principle 5 below)  
 Criteria: Survival and health farmed fish (this would be one of several criteria falling under this principle)  
 Indicator: Percent mortalities annually (this would be one of several indicators falling under this criteria)  
 Standard: X% mortalities

The potential relevant areas of impact, from the seven key impact areas identified in the salmon Dialogue, are identified for each principle in the draft below. However, as the criteria were revised they were streamlined in order to eliminate redundancies and minimize the number of criteria per principle. The full suite of principles and criteria are intended to address the full suite of potential impacts listed.

## Background on the Rough Draft Social Standards

This document contains ideas for the social/labor section of the Salmon Aquaculture Dialogue standards. It proposes a set of criteria, indicators, and standards for assessing potential social impact of salmon aquaculture, production and processing on the people involved in the process, as well as those living in the communities surrounding the activities and those living in the geographic areas in which they take place. Two broad thematic areas are considered in the presentation of these proposed criteria, standards and indicators for social impact: **labor** and **community**. The rationale for the delineation of these two areas is that these are the two aspects that encompass **the human element** of the salmon production process – indeed, of any economic production process. In other words, they constitute the two broad areas in which the social impacts of productive, economic activities and business are most commonly assessed. National or international regulatory frameworks, corporate codes of conduct, multi stakeholder codes of conducts and industry standards that address social impacts, include provisions for safeguarding both the labor conditions of the workers involved in the activity and the well-being of the communities surrounding or within which the activities are taking place.

Of these two broad areas of consideration of social impact, labor is the one for which international standards and criteria are more clearly defined and developed. Most labor provisions in regulatory frameworks and voluntary codes or standards include the elements of what the International Labor Organization (ILO) calls the Fundamental Principles and Rights at Work, or conditions of Decent Work. These in turn include elements that refer to the prohibition of child labor, the prohibition of forced or bonded labor, anti-discrimination, freedom of association and collective bargaining, fair remuneration, appropriate working hours, safe and healthy working conditions and fair disciplinary practices. For each of these elements, codes and regulatory frameworks establish definitions and parameters, some of which are already established in international instruments. The proposed criteria, standards and indicators for the labor provisions in the SAD are based on these internationally accepted definitions and parameters, plus on principles of industry best practices.

The other broad area considered in what is being proposed for the Social section of the SAD standards is community impact. Unlike labor, this area is less well defined in terms of elements or aspects to be taken into account, much less actual criteria, standards and measurable indicators. Based on the data and information collected in studies in the main salmon-producing countries (namely Chile, Canada and Norway), community impact criteria proposed for the SAD standards are related to health and safety, community consultation and engagement/involvement mechanisms, and access to key resources.

The proposed areas, criteria, indicators, and standards are presented here for discussion at the Salmon Aquaculture Dialogue meeting in Puerto Montt, Chile on May 12-13, 2010. A revised set of draft social standards will be released for public comment in June in combination with a first draft of environmental standards.

## **Information for the reader**

In the following pages, tables present indicators and then corresponding standards. Within each criterion, standards tables are followed by a rationale section which explains to readers the conceptual framing behind the inclusion of given content and perceived key impacts.

The Rationale section after each criteria and associated indicators and standards provides a brief overview of why the issues being addressed are important and how the proposed standards do so.

When provided, the Auditing Guidance, explains how each standard should be interpreted by auditors or implemented at the farm level. This information will continue to be developed and become more detailed as the standards are revised.

Definitions are provided in footnotes.



This flag icon is used throughout the document to indicate a specific issue where feedback would be particularly helpful in formulating an effective standard although comment is encouraged on any part of the document.

# Principles, Criteria, Indicators, and Standards

## Preamble to the Standards

The principles serve as a platform to minimize the social and environmental impacts of salmon aquaculture while permitting the salmon farming industry to remain economically viable. These principles, along with the corresponding criteria, indicators and standards which are in development, are applicable at the farm level. Achieving the suite of principles to standards will entail farms having a high level of transparency and regular monitoring of a number of key indicators. Although the Salmon Aquaculture Dialogue is creating farm-level standards, they are intended to help protect and maintain ecosystem function and ecosystem services in salmon producing areas, with the recognition that aquaculture operations are not solely responsible for total ecosystem health. The standards are intended to be revisited and updated periodically (e.g., every 3 years) to ensure that the standards are based on best available scientific knowledge and management practices and to encourage continuous improvement.

## PRINCIPLE 6: DEVELOP AND OPERATE FARMS IN A SOCIALLY RESPONSIBLE MANNER

Principle 6 aims to address potential negative social impacts related to farm development and operation, including labor concerns.

### Criterion 6.1 Freedom of association and collective bargaining<sup>1</sup>

INDICATOR	STANDARD
6.1.1 Evidence that employees have access to trade unions (if they exist and workers choose to join them) and representative(s) chosen by workers without management interference.	Yes
6.1.2 Evidence that workers are free to form organizations, including unions, to advocate for and protect their rights	Yes
6.1.3 Evidence that workers are free and able to bargain collectively for their rights.	Yes

#### Rationale

Having the freedom to associate and bargain collectively is a critical right of workers because it allows workers to have a more balanced power relationship with employers when doing such things as negotiating fair compensation. Although this does not mean all workers of a certified aquaculture operation must be in a trade

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<sup>1</sup> **Bargain collectively:** A voluntary negotiation between employers and organizations of workers in order to establish the terms and conditions of employment by means of collective (written) agreements.

union or similar organization, workers must not be prohibited from accessing such organizations when they exist. If they do not exist or are illegal, companies must make it clear that they are willing to engage in a collective dialogue through a representative structure freely elected by the workers.

Auditing Guidance

Workers have the freedom to form and join any trade union, free of any form of interference from employers or competing organizations set up or backed by the employer. ILO specifically prohibits “acts which are designated to promote the establishment of worker organizations or to support worker organizations by financial or other means, with the object of placing such organizations under the control of employers or employers’ organizations.

Workers can choose their own representatives, without employer interference. Workers are allowed access to worker organizations and their representatives. Employers cannot discriminate against workers who are organized, including unions. Workers have the right to bargain collectively with employers regarding rights and working conditions

All workers should have access to trade unions and ability to bargain collectively or worker access to representative(s) chosen by workers without management interference. For verification, auditors could review policies on Freedom of Association, collective bargaining agreements, meeting minutes, complaints resolutions, or worker interviews.

**Criterion 6.2 Child labor**

INDICATOR	STANDARD
6.2.1 Number of incidences of child <sup>2</sup> labor <sup>3</sup>	None
6.2.2 Percentage of young workers <sup>4</sup> that are protected <sup>5</sup>	100%

Rationale

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<sup>2</sup> **Child:** Any person under 15 years of age. A higher age would apply if the minimum age law stipulates a higher age for work or mandatory schooling. If, however, the local minimum age law is set at 14, in accordance with developing country exceptions under ILO Convention 138, the lower age will apply.

<sup>3</sup> **Child Labor:** Any work by a child younger than the age specified in the definition of a child.

<sup>4</sup> **Young Worker:** Any worker between the age of child, as defined above, and under the age of 18.

<sup>5</sup> **Protected:** Workers between 15 and 18 years of age will not be exposed to hazardous health and safety conditions; working hours shall not interfere with their education.

Adherence to the child labor codes and definitions included in this section indicates compliance with what the ILO and international conventions generally recognize as the key areas for the protection of child and young workers. Children are particularly vulnerable to economic exploitation, due to their inherent age-related limitations in physical development, knowledge and experience. Children need adequate time for education, development and play and, therefore, shall never be exposed to work or working hours that are hazardous<sup>6</sup> to their physical or mental well-being. To this end, the standards related to what constitutes child labor, will protect the interests of children and young workers in certified aquaculture operations.

Auditing Guidance

1. Minimum age of permanent workers is 15 years old (or 14, if the country allows it under the developing country exceptions in ILO convention 138). If the legal minimum age allowed in the country is higher than 15, the legal minimum age of the country is followed. (Note: Employer is accountable for employee age documentation. In most countries, the law states that the general minimum age for employment is 15 years.)
2. For employees aged 15-18 (young workers), work shall not conflict with schooling and the combined daily transportation time, school time and work time shall not exceed 10 hours. Hazardous work (e.g., heavy lifting disproportionate to a person’s body size, operating heavy machinery, working night shifts, and exposure to any toxic chemicals) is not performed by those below age 18.
3. Auditors may want to review company policy on young workers, training programs, PPE, timesheets, or conduct worker interviews.

Best Practice: A company has an effective remediation policy in place, in case child labor is found.

**Criterion 6.3 Forced, bonded, or compulsory labor**

INDICATOR	STANDARD
6.3.1 Number of incidences of forced <sup>7</sup> , bonded <sup>8</sup> or compulsory labor	None

<sup>6</sup> **Hazard:** The inherent potential to cause injury or damage to a person’s health (e.g., unequipped to handle heavy machinery safely, and unprotected exposure to harmful chemicals).

**Hazardous work:** Work that, by its nature or circumstances in which it is carried out, is likely to harm the health, safety or morals of workers.

<sup>7</sup> **Forced (Compulsory) Labor:** All work or service that is extracted from any person under the menace of any penalty for which a person has not offered him/ herself voluntarily or for which such work or service is demanded as a repayment of debt. “Penalty” can imply monetary sanctions, physical punishment, or the loss of rights and privileges or restriction of movement (e.g., withholding of identity documents).

<sup>8</sup> **Bonded Labor:** When a person is forced by the employer or creditor to work to repay a financial debt to the crediting agency.



Rationale

Forced labor—such as slavery, debt bondage and human trafficking - is a serious concern in many industries and regions of the world. Ensuring that contracts are clearly articulated and understood by employees is critical to determining that labor is not forced. The inability of a worker to freely leave the workplace and/ or an employer withholding original identity documents of workers are indicators that employment may not be at-will. Employees shall always be permitted to leave the workplace and manage their own time. Employers are never permitted to withhold original worker identity documents. Adherence to these policies shall indicate an aquaculture operation is not using forced, bonded, or compulsory labor forces.

Auditing Guidance

1. Contracts shall be clearly stated and understood by employees and never lead to an employee being indebted (such as employees paying for essential job training programs)
2. Employees shall be free to leave the workplace and manage their own time
3. Employer shall never be permitted to withhold an employee’s original identity documents.(Note: Extra care shall be given to migrants and contractor/ subcontractor situations because they can be particularly vulnerable without their identity documents)
4. Auditors may wish choose to review company policy on forced labor, payroll records, and worker interviews

**Criterion 6.4 Discrimination<sup>9</sup>**

INDICATOR	STANDARD
6.4.1 Evidence of proactive anti-discrimination practice	Yes
6.4.2 Number of incidences of discrimination	None

Rationale

Unequal treatment of employees based on certain characteristics (such as sex or race), is a violation of a workers’ human rights. Additionally, widespread discrimination in the working environment can negatively affect overall poverty and economic development rates. Discrimination occurs in many work environments and takes many forms. In order to ensure that discrimination does not occur at certified aquaculture farms, employers must prove their commitment to equality with an official anti-discrimination policy, a policy of equal

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<sup>9</sup> **Discrimination:** Any distinction, exclusion, or preferences, which has the effect of nullifying or impairing equality of opportunity or treatment. Not all distinction, exclusion, or preference constitutes discrimination. For instance, a merit- or performance-based pay increase or bonus is not by itself discriminatory. Positive discrimination in favor of people from certain underrepresented groups may be legal in some countries.

pay for equal work, as well as clearly outlined procedures to raise/ file and respond to a discrimination complaint in an effective manner. Evidence, including worker testimony, of adherence to these policies and procedures will indicate minimization of discrimination.

Auditing Guidance

*Guidance for Evidence of Proactive Anti-discrimination Policies/ Practices*

1. Employers shall have written anti-discrimination policies stating the company does not engage or support discrimination in hiring, remuneration, access to training, promotion, termination or retirement based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, age, or any other condition that may give rise to discrimination
2. Clear and transparent company procedures are outlined to raise/file/ respond to discrimination complaints
3. Employers shall respect the principle of equal pay for equal work

*Guidance for Evidence of incidence of Discrimination*

1. Worker testimony shall be able to support that the company does not interfere with the rights of personnel to observe tenets or practices, or to meet needs related to race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or any other condition that may give rise to discrimination

Best Practice: Company has policies and procedures to protect vulnerable groups (sexual harassment policy; affirmative action policy). Company has consideration for local residents in hiring.

**Criterion 6.5 Work environment health and safety** (note that this is proposal to change wording of criterion)

INDICATOR	STANDARD
6.5.1 Percentage of workers trained in health and safety practices/ procedures/ policies	100%
6.5.2 Evidence that workers use personal protective equipment (PPE) effectively	Yes
6.5.3 Presence of a health and safety risk assessment and evidence of preventive actions taken	Yes
6.5.4 Evidence that all health and safety related accidents and violations are recorded and corrective actions are taken when necessary	Yes
6.5.5 Evidence of Employer responsibility and proof of insurance (accident/ injury) for employee costs in a job-related accident or injury when not covered under national law	Yes

6.5.6 Evidence that all diving operations are conducted by divers who are certified for the task

Yes

#### Rationale –

A safe and healthy working environment is essential for protecting workers from harm. It is critical for a responsible aquaculture operation to minimize these risks. Some of the key risks to employees include hazards resulting from accidents and injury. Consistent and effective employee training in health and safety practices is an important preventative measure. When an accident, injury or violation occurs, the company must record it and take corrective action to identify the root causes of the incident, remediate, and take steps to prevent future occurrences of similar incidents. This addresses violations and also the long-term health and safety risks. Finally, while many national laws require that employers assume responsibility for job-related accidents/ injury, not all countries require this and not all employees (in some cases migrant and other workers) will be covered under such laws. When not covered under national law, employers must prove they are insured to cover 100% of employee costs in a job-related accident or injury.

#### Auditing Guidance

##### *Guidance for Percentage of Workers Trained in Health and Safety Practices/Procedures/Policies*

1. Emergency response procedures shall exist and be known by employees
2. Offer regular health and safety training for employees (once a year and for all new employees), including training on potential hazards and risk minimization, OSH and effective use of PPE.

##### *Guidance for Presence of a health and safety risk assessment and evidence of preventive actions taken*

1. Minimization of hazards/ risks in the working environment, including documented systemic procedures and policies to prevent workplace hazards and their risks (risk assessment), shall exist and all employees shall be trained in how to identify and prevent those hazards and risks
2. Policies, procedures, and instructions shall be in place to help prevent accidents from taking place. Said policies/procedures shall be adapted according to results of risk assessment.

##### *Guidance for Evidence that all health and safety related accidents and violations are recorded and corrective actions are taken when necessary*

1. Accidents shall be recorded
2. Documentation shall be generated with regards to occupational health and safety violations
3. Corrective action plan shall be implemented in response to accidents that have occurred. This should analyze the root causes, address the root causes, remediate and prevent future accidents of a similar nature.

##### *Guidance for Proof of Accident Insurance*

There shall be sufficient insurance, to cover employees who suffer accident or injury in the work environment. Special consideration must be given to migrant or foreign workers who may fall outside of the law.

Best Practice: A company provides a medical professional, someone with first-aid training, or medical facilities on site.

**Criterion 6.6 Wages**

INDICATOR	STANDARD
6.6.1 The percentage of Employees whose basic wage (before overtime and bonuses) is below the minimum wage	0 (None)
6.6.2 Evidence of transparency in wage setting	Yes

Rationale

Workers shall be paid wages that, at a minimum, meet the legal and industry-standard minimum wage, plus all legally required benefits. Unfairly compensated workers can be subject to a life of sustained poverty. Certified aquaculture operations shall also demonstrate their commitment to fair and equitable wages by having and sharing a clear and transparent mechanism for wage setting and a labor conflict resolution policy that tracks wage-related complaints and responses. Company policies and practice shall also prohibit deductions in pay for disciplinary actions, and payments shall be made in a manner convenient to workers. Having these policies outlined in a clear and transparent manner will empower the workers to negotiate effectively for fair and equitable wages that shall, at a minimum, satisfy basic needs. Revolving labor contract schemes designed to deny long-time workers full access to fair and equitable remuneration and other benefits are prohibited.

Auditing Guidance

1. Employers shall ensure that wages paid for a standard working week (no more than 48 hours) always, at a minimum, meet legal/ industry minimum standards.
2. No deductions in basic pay for disciplinary actions
3. Wage and benefits are clearly articulated to employees and are rendered to employees in a convenient manner. Employees don't need to travel to collect benefits, and promissory notes, coupons or merchandise never replace cash/ electronic/ check payment methods.
4. Labor-only contracting relationships or false apprenticeship schemes (see below definitions) are not acceptable. This includes revolving/ consecutive labor contracts to deny benefit accrual.  
 False Apprenticeship Scheme: The practice of hiring workers under apprenticeship terms without stipulating terms of the apprenticeship or wages under contract. It is a "false" apprenticeship if its purpose is to underpay people, avoid legal obligations, or employ underage workers.  
 Labor-only contracting arrangement: The practice of hiring workers without establishing a formal employment relationship for the purpose of avoiding payment of regular wages or the provision of legally required benefits, such as health and safety protections
5. Clear and transparent mechanism for wage setting shall be known to employees
6. Auditors may review payroll, timesheets, punch cards, production records, utility records, and worker interviews.

- 7. Workers are paid at least legal minimum wage and benefits or industry average, in addition to production incentives. All workers understand the method of payment. Piece-rate and pay-per-production is reasonable and attainable within regular working hours.

**Criterion 6.7 Contracts (labor) including subcontracting**

INDICATOR	STANDARD
6.7.1 Percentage of workers who have contracts	100%
6.7.2 Evidence of policy to ensure social compliance in its suppliers and contractors	Yes

Rationale

Fair contracting is important to ensure transparency and fairness in the employment relation. Short term and temporary contracts are acceptable but cannot be used to avoid paying benefits or to deny other rights. The company shall also have policies and mechanisms to ensure that workers contracted from other companies for specific services (e.g. cleaning or maintenance) and that companies providing their primary inputs or supplies have socially responsible practices and policies.

Auditing Guidance

Auditor may review contracts and worker interviews to determine compliance with 6.7.1.

Auditor may review contracts and communications with suppliers and subcontractors to determine compliance with 6.7.2. The producing company should have a map of suppliers and subcontractors as well as evaluation criteria for suppliers and subcontractors.

**Criterion 6.8 Conflict resolution**

INDICATOR	STANDARD
6.8.1 Evidence of worker access to effective, fair and confidential grievance procedures	Yes

6.8.2 Percentage of grievances handled that are addressed <sup>10</sup>	100%
6.8.3 Percentage of grievances that are resolved <sup>11</sup>	≥70%

**Rationale—**

Companies should have a clear policy in place for the presentation, treatment and resolution of worker grievances in a confidential manner. Workers shall be familiar with the policy and its effective use. Such policy is necessary to track conflicts and complaints raised as well responses to conflicts and complaints.

Auditing Guidance

Auditors shall review grievance procedures, meeting minutes, evidence of resolution, and conduct worker interviews.

Labor conflict resolution policy shall be in place to track conflicts and complaints raised, as well as responses to conflicts and complaints

**Criterion 6.9 Disciplinary Practices**

INDICATOR	STANDARD
6.9.1 Incidences of excessive or abusive disciplinary actions	None

Rationale –

The rationale for discipline in the workplace is to correct improper actions and maintain effective levels of employee conduct and performance. However, abusive disciplinary actions can violate workers’ human rights. The focus of disciplinary practices shall always be on the improvement of the worker. A certified aquaculture operation shall never employ threatening, humiliating or punishing disciplinary practices that negatively impact a worker’s physical and mental<sup>12</sup> health or dignity.

Auditing Guidance

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<sup>10</sup> Tentative definition of “ADDRESSED”- acknowledged and received, moving through the company’s process for grievances

<sup>11</sup> Tentative definition of “RESOLVED”-acknowledged, received, moved through the company’s process for grievances and then corrective action taken as needed

<sup>12</sup> Mental Abuse: Characterized by the intentional use of power, including verbal abuse, isolation, sexual or racial harassment, intimidation, or threat of physical force

There shall be absolutely no engagement in or support of corporeal punishment, mental or physical coercion, or verbal abuse. Fines or basic wage deductions shall not be acceptable as a method for disciplining workforce. (Indicated by policy statements, as well as evidence from worker testimony)

If disciplinary action is required, progressive verbal and written warnings shall be engaged. Aim shall always be to improve the worker; dismissal shall be the last resort. (Indicated by policy statements as well as evidence from worker testimony). Policies for bonuses, incentives, access to training and promotions are clearly stated and understood and not used arbitrarily.

Auditors may wish to review disciplinary procedures, worker evaluation criteria and reports, and worker interviews.

**Criterion 6.10 Working Hours and Overtime**

INDICATOR	STANDARD
6.10.1 Incidences, Violations, or Abuse of working hours and overtime laws or expectations (see guidance for details)	None
6.10.2 Overtime is limited, voluntary in agreement with local collective bargaining agreements , paid at a premium rate, and restricted to exceptional circumstances	Yes

Rationale

Abuse of overtime working hours is a widespread issue in many industries and regions. Workers subject to extensive overtime can suffer consequences in their work life balance and are subject to higher fatigue-related accident rates. In accordance with better practices, employees in certified aquaculture operations are permitted to work—within defined guidelines—beyond normal work week hours but must be compensated at premium rates<sup>13</sup>. Requirements for time-off, working hours and compensation rates as described should reduce the impacts of overtime.

Auditing Guidance

Auditors shall be aware of working hours and overtime requirements in local legislation. They can check time sheets and payroll and verify through worker interviews that workers are working legally allowed hours. Pay slips and pay records can confirm whether overtime hours are being paid at a premium. To verify that overtime is not the norm, interviews can be conducted and production records checked, as well as time sheets other

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<sup>13</sup> **Premium rate:** A rate of pay higher than the regular work week rate. Must comply with national laws/ regulations and/or industry standards.

records of working hours, for at least one year before. Worker interviews to determine whether overtime is voluntary are key. Some exceptions can be made for overtime not being voluntary, if there is a collective bargaining agreement in place that allows it.

**Criterion 6.11 Education and Training**

INDICATOR	STANDARD
6.11.1 Evidence that company encourages and sometimes supports human capital development (e.g. courses, certificates and degrees)	Yes

Rationale

Education and training can be beneficial to companies and enable workers to improve their incomes. Such human capital development should be encouraged where it is in the interest of the company, and incentives offered such as subsidies for tuition or textbooks, and time off prior to exams. The offer of training may be contingent on employees committing to stay with the company for a pre-arranged time, and this should be made clear to participants before they start.

Auditing Guidance

Auditors can check for evidence of courses taken, review curriculum for relevance and interview workers for effectiveness and satisfaction.



**PRINCIPLE 7: BE A GOOD NEIGHBOR AND CONSCIENTIOUS CITIZEN**

Principle 7 aims to address any broader off-site potential social impacts associated with salmon production, including interactions with local communities.

**Criterion 7.1 Community Engagement**

INDICATOR	STANDARD
7.1.1 Evidence of regular and meaningful <sup>14</sup> consultation and engagement with community representatives and organizations	Yes
7.1.2 Presence and evidence of an effective <sup>15</sup> policy and mechanism for the presentation, treatment, and resolution of complaints by community stakeholders and organizations	Yes
7.1.3 Evidence of effective complaints management and resolution	Yes

Rationale—

Producing companies shall be able to respond to real human concerns that arise in communities located near the farm, as well as its overall operations. In particular, appropriate consultation must be undertaken within local communities so that potential conflicts are properly identified, avoided, minimized, and/or mitigated through open and transparent negotiations on the basis of an assessment toward risks and current impacts on the surrounding communities. Communities will have the opportunity to be part of the assessment process. Channels of communication with community stakeholders are important. Regular consultation with community representatives and a transparent procedure for handling complaints are both key components of this communication. Negative impacts may not always be avoidable. However, the process for addressing them must be open, fair, and transparent. Therefore, these community standards focus on due diligence through dialogue and negotiation with surrounding communities.

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<sup>14</sup> NEED DEFINITION FOR “REGULAR AND MEANINGFUL”. Participatory Social Impact Assessment methods may be one option to consider here. Definition for consideration: Meetings should be held at least bi-annually with elected representatives of affected communities. The agenda for the meetings should in part be set by the community representatives.

<sup>15</sup> Effective: In order to demonstrate that the mechanism is effective, evidence of resolutions of complaints can be given.

Auditing Guidance

- Auditors may wish to review meeting reports and minutes and interviews with community representatives for 7.6.1.


- For 7.6.2, Auditors may wish to review complaints procedures/policies, documentation of communications with stakeholders, documentation of corrective actions taken by the company, and reports to stakeholders on actions taken and solutions.

**Criterion 7.2 Respect for indigenous and aboriginal cultures and traditional territories**

INDICATOR	STANDARD
7.2.1 Evidence of efforts to establish agreements in the traditional territories	Yes
7.2.2 Evidence of acknowledgement of indigenous groups’ rights and titles	Yes
7.2.3 Evidence of consultation with aboriginal people and support from governance structures in the locality prior to site license approval	Yes

Rationale

Interactions with and evidence of due diligence to prevent and mitigate negative impacts on communities is important globally, and takes on an additional dimension in regions where indigenous or aboriginal people or traditional territories are involved. In some jurisdictions aboriginal groups have legal rights related to their territories. These shall be respected as in Principle 1. It is also expected that operations seeking to meet the Salmon Dialogue standards have directly consulted with bodies functioning as territorial governments.

 Questions have been raised about whether standard 7.2.3 needs to be revised or deleted as it may be difficult to interpret and audit as currently written. Among the questions are how to address issues around already existing sites and how to manage changing governance of the groups since that can lead to changes in approval or support.

**Criterion 7.3 Health effects on local communities**

INDICATOR	STANDARD
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7.3.1 Evidence of third party assessment of health effects on community	Yes
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Rationale—Companies should prevent damage to the health and safety of members of the surrounding community as a result of its presence and activities. Impacts to minimize include pollution that could affect communities including noise or air pollution.

- Discussion points raised on this proposal include that this type of assessment is already incorporated into some jurisdictions into environmental impact assessments. Additionally, it has been raised that these issues could be directly integrated into 7.1 related to community consultation and complaints.

Auditing Guidance

Auditors may wish to review reports, assessments, and interviews with community representatives

**Criterion 7.4 Access to resources**

INDICATOR	STANDARD
7.4.1 Changes in access to vital community resources due to the presence of the farm and its activities	None
7.4.2 Evidence of assessments of company’s effects on access to resources	Yes

Rationale—

Companies should make a maximum effort to not affect the surrounding community’s access to vital resources as a result of its presence and activities. Some change in access is expected, rather what is to be prevented is an unacceptable degree of change. Vital community resources can include freshwater, land or other natural resources that communities rely on for their livelihood. If a farm site were to block, for example, a community’s sole access point to a needed freshwater resource, this would be unacceptable under the Dialogue standard.

Auditing Guidance

Auditors may choose to look at assessments, meeting reports and minutes, interview with community representatives to verify compliance. Auditing guidance on these issues should be further developed to clarify intent of the standard.

**Criterion 7.5 Displacement of communities**

INDICATOR	STANDARD
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7.5.1 Evidence of effective communication with community representatives to ensure that any displacement of communities (for new farms) will not have adverse impacts


Yes

Rationale—

Companies should be making a maximum effort to prevent displacement of local communities of a result of its presence and activities.

Auditing Guidance

Auditors may wish to review meeting reports and minutes, interviews with community representatives

 There is some question as to whether physical displacement of communities is a key impact related to salmon farming. It is agreed that displacement should be avoided, but that it may not need to be addressed in a separate criteria in the Dialogue standards, in which case it can be incorporated under 7.1.