

# Costa Rica Sugar

*A Macro View of Today's  
Industry*

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## Introduction

The purpose of this report is to provide an overview of the sugar industry in Costa Rica. To lay the groundwork for understanding the current issues in today's sugar industry, the report begins with a brief discussion of the history of the Costa Rican sugar industry over the last century. A review of today's primary labor issues follows. A summation of main concerns is then suggested with brief recommendations for addressing these concerns. Remaining questions to be answered are identified at the conclusion.

## History of Sugar in Costa Rica

Over the last century, the export of agricultural commodities has been key to the growth of the Costa Rican economy.<sup>1</sup> However, compared with other sugar producing countries, sugarcane production in Costa Rica has not been as significant to its overall economic development as other crops, such as coffee and bananas.<sup>2</sup> In fact, although sugar arrived to Costa Rica in the 1530s, it wasn't until after the 1950s that sugar grew from a primarily family consumption crop to a mechanized commercial crop.<sup>3</sup>

### Sugar Production

Small scale commercial sugar production began in Costa Rica in the 1890s<sup>4</sup> to meet domestic consumer demands. By 1910, just 1% of cultivated land - around 13,083 hectares - was dedicated to cane production.<sup>5</sup>

By 1950, the relatively low amount of sugar production does not seem to have changed; 97% of exports were attributed to coffee and bananas. However, by 1963, this declined to 72%, while beef and sugar together grew to account for 11% of exports due to agricultural diversification programs of the late 50s and early 60s.<sup>6</sup>

Over the next few decades, sugar production would see a gradual increase across the country, as shown in Table 1.0. Nevertheless, due in part to economic diversification policies, today agriculture accounts for 8.7% of Costa Rica's Gross Domestic Product (GDP), compared with 13% in 2002.<sup>7</sup>

**Table 1.0 Hectares of Sugarcane Harvested 1969-2007<sup>8</sup>**

Harvest season	Hectares Harvested
1969-1970	32,699
1979-1980	33,500
1989-1990	29,500
1999-2000	46,000
2006-2007	53,300

<sup>1</sup> Rottenberg, Simon. *The Political Economy of Poverty, Equity and Growth: Costa Rica and Uruguay: A World Bank Comparative Study*. Oxford University Press, USA. 1993.

<sup>2</sup> Ibid.

<sup>3</sup> LAICA, *Historia de la Azúcar en Costa Rica*. [http://www.laica.co.cr/azucar\\_historia.asp](http://www.laica.co.cr/azucar_historia.asp)

<sup>4</sup> Suarez, Nydia R., *The Central American Sugar Industry*. Economic Research Service, USDA. 1996.

<sup>5</sup> USDA, *Bulletin of the US Department of Agriculture*. University of Virginia, USA. 1920.

<sup>6</sup> Rottenberg, Ibid.

<sup>7</sup> US State Dept., *Background Note: Costa Rica*. Bureau of Western Hemisphere Affairs. 2008.

<sup>8</sup> LAICA. *Indices de Producción ... 1969-2006 (37 Zafras)* <http://www.laica.co.cr/default.asp>

### *Geography of Production*

Historically, sugarcane production occurred in the Central Plateau region. During the late 1980s, production spread to the Pacific Coast areas, developing cultivation in the areas of Guanacaste, San Carlos and San Isidro del General.<sup>9</sup>

Today there are sixteen sugar mills operating in Costa Rica within six regional zones: (i) Guanacaste Zone, (ii) Puntarenas Zone, (iii) San Carlos Zone, (iv) Turrialba Zone, (v) Southern Zone, and (iv) Central Valley Zone. While some of the mills have their own supply of sugar, many are supplied by some 7,000 independent producers, 90% of whom produce on land units less than 7 hectares in size.<sup>10</sup>

The geography of the land is such that only the mills in the coastal zone, including Guanacaste, are able to mechanize. Mills located in the central and Atlantic side have a rough landscape that make mechanization impossible or very costly. Most mills have not invested much in this process due to the high cost of mechanization and the low cost of labor.<sup>11</sup>

### *Provision of Employment*

Despite the greater importance of other crops, sugar has been important in providing employment to the population pressured region, as sugarcane cultivation is a labor intensive crop.<sup>12</sup> According to the US Census Bureau, Costa Rica has a population density of 208 persons per square mile, compared with 954 in India, 365 in China, 170 in Honduras and 84 in the USA.

According to LAICA, the local sugar association, approximately 20,000 workers are permanently employed in the Costa Rican sugar industry today, accounting for 2.6% of the economically active population.<sup>13</sup> This does not include the approximately 10,000 temporary workers that are employed during the harvest season, the majority of whom are migrant workers from Nicaragua.<sup>14</sup>

### *Labor Issues*

There has not been a historical focus on labor issues in the sugar industry of Costa Rica. While the history of the banana industry in this country has been notorious, the sugar industry has no such distinction. This may be due in part to the relative lack of importance of this crop in the economic development of Costa Rica, as noted in the previous section.

According to one NGO, the sugar industry does not receive much attention. ASEPROLA, whose mission is the defense and promotion of labor rights, conducted a study in 2005 to determine if the sector was sufficiently important such that they could dedicate resources to it. However, the organization instead decided to focus on the banana and

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<sup>9</sup> Suarez, Nydia R., *The Central American Sugar Industry*. Economic Research Service, USDA. 1996.

<sup>10</sup> LAICA. <http://www.laica.co.cr/ca.asp>

<sup>11</sup> Interview with Omar Salazar, ASEPROLA (Asociación Servicios de Promoción Laboral), October 2008.

<sup>12</sup> Suarez, Nydia R., *The Central American Sugar Industry*. Economic Research Service, USDA. 1996.

<sup>13</sup> LAICA, *Historia de la Azúcar en Costa Rica*. [http://www.laica.co.cr/azucar\\_historia.asp](http://www.laica.co.cr/azucar_historia.asp)

<sup>14</sup> ASEPROLA. *Labor Conditions in the Costa Rican Sugar Industry*. May 2005.



pineapple sectors, in part due to their ability to work with unions from those sectors, while union activity for sugarcane cutters is very low.<sup>15</sup>

Overall, it is difficult to identify any reports or publications related to labor conditions of the sugar industry prior to 2005. Interviews with local non-governmental organizations (NGOs) in Costa Rica indicate that there are very few entities today involved with labor conditions of sugar workers. Most groups today that are engaged with agricultural workers are focusing specifically on other crops such as coffee and bananas.

**Table 2.0 Selected Projects Related to Labor Issues in Costa Rica**

TOPIC	PROJECT	GROUPS	COMMODITY	DESCRIPTION
Migration	Co-Development Project between Costa Rica and Nicaragua	<ul style="list-style-type: none"> <li>- Spanish Agency for International Cooperation</li> <li>- International Organization for Migration (IOM)</li> </ul>	Not commodity specific	The project will regulate labor flows of Nicaraguan workers to Costa Rica, promote insertion conditions in labor markets, improve the psychosocial situation of migrants and their families and promote their social integration.
Migration	Migration Research	<ul style="list-style-type: none"> <li>- MRF San José</li> <li>- University of Costa Rica</li> <li>- CIPAC</li> <li>- IOM</li> </ul>	Not commodity specific	A joint research project to assess the economic and labor contribution of the Nicaraguan migrant population in Costa Rica. The study also intends to develop a public policy proposal to improve labor insertion of temporary Nicaraguan migrant populations in Costa Rica..
Migration Health	Finca Sana	<ul style="list-style-type: none"> <li>- World Bank</li> <li>- IOM</li> </ul>	Coffee	An innovative project to improve the health of indigenous coffee pickers in southern Costa Rica. Finca Sana aims to improve the health of members of the Ngöbe-Buglé indigenous tribe who migrate into Costa Rica from Panama each year to pick coffee. The health of these labor migrants is among the worst in the hemisphere.
Child labor	Detecting and correcting child labor in remote rural areas.	<ul style="list-style-type: none"> <li>- ILO</li> <li>- Caritas Nacional de Costa Rica</li> </ul>	Not commodity specific	One year project to train field workers in remote zones of country to understand and detect child labor and coordinate corrective actions.
Child labor	Create State initiatives for education of child workers	<ul style="list-style-type: none"> <li>- US State Dept</li> <li>- Caritas Nacional de</li> </ul>	Not commodity specific	Respond to allegations that country uses child labor in CAFTA related industries. Create educational programs to

<sup>15</sup> Interview with Omar Salazar, ASEPROLA (Asociación Servicios de Promoción Laboral), October 2008.

TOPIC	PROJECT	GROUPS	COMMODITY	DESCRIPTION
		Costa Rica		incorporate child workers and offer opportunities for child workers.

### Primary Labor Issues Today:

The main labor concerns for sugar workers today center around two types of workers: migrant workers and indirect or contract workers. Both classes of workers are especially vulnerable to exploitation related to treatment, pay, living conditions, etc.

#### *Migrant and Indirect Workers*

The majority of migrant workers in Costa Rica come from Nicaragua and some sources indicate over 100,000 are currently required for various agricultural harvest activities.<sup>16</sup> Although there are no definitive statistics related to the number of migrant workers in the sugar industry, this migrant population makes up a large part of the harvest workforce and is most likely to be employed through the indirect or contract worker scheme.

Little data is available in the public domain that is specific to these sugar workers; however, according to some sources, there is no difference between the issues faced by Nicaraguan migrants engaged in sugar versus other commodities such as coffee and pineapple.<sup>17</sup> According to NGOs on the ground, the main issues faced by migrant workers center on their legal status. Without legal permission to work, these workers are subject to exploitation of their labor rights, are paid less than the minimum wage and do not have access to social security or health services.<sup>18</sup>

#### Indirect Contracts

Due to the contract relationship used to employ these workers, there is also not a direct employment relationship with the farm or mill employer. Instead, a contractor establishes a commercial contract with the owner of the farm to harvest a certain number of sectors of the land. The contractor then recruits a group of workers to carry out this activity. The contractor receives wages for the labor they managed and in turn, the contractor pays their group of workers. The workers may not know what their actual salaries are and there is usually no documentation of wage or work agreements. There is no regulation or control over this employment arrangement or the contractors who act as employers.<sup>19</sup> In this way, migrant workers enter work arrangements which provide inadequate protection.

#### Wages and Benefits

Migrant workers will usually earn less wages and conduct more work when compared to local workers. In some cases, they may even face non-payment of wages. However,

<sup>16</sup>Navas, Lucía. “Costa Rica Demanda Mano de Obra Nica.” El Nuevo Diario, November 25, 2008. <http://www.elnuevodiario.com.ni/nacionales/33373>

<sup>17</sup> Interview with Karina Fonseca, Red Nacional de Organizaciones Civiles para las Migraciones Costa Rica. November 2008.

<sup>18</sup> Ibid.

<sup>19</sup> Ibid.

these workers do not want to report complaints or seek legal remedy due to the risk of deportation.<sup>20</sup>

Where workers are engaged in indirect labor, they often do not receive direct payment for their wages. For example, wages may be paid to the head of the household while women and children who participated in the work are not paid. Workers may also work in exchange for food and board, rather than actual wages.<sup>21</sup>

If workers have difficulty obtaining payment for their labor, other benefits such as annual leave or legally required annual bonuses are even more difficult, especially for undocumented workers.<sup>22</sup>

Furthermore, one of the historic problems of the private sector in Costa Rica is that social security is not adequately paid or reported. Employers frequently report an amount that is less than half of what they should legally report. The social security burden to an employer represents from 21-29% of the total payroll and for sugar mills with a high number of direct workers, this amount could represent a massive expense. The motivation to avoid these payments lends support to the practice of indirect hiring, protecting the mill or plantation owner from responsibility. Instead, the responsibility is pushed to the labor contractors, who themselves may be required to present their payrolls to the social security administration but who also hide and misrepresent the number of actual workers engaged and the total payment owed.<sup>23</sup>

### Health Services

The lack of access to social security translates into a lack of access to local health services. If workers are not insured by the social security scheme via employer enrollment and payments, they do not have access to treatment in case of accidents. Many will not go to a hospital even when it is necessary because they do not have insurance to cover the costs.<sup>24</sup>

### Housing

Housing may or may not be provided to migrant workers. On some plantations, a small group of workers lives in housing on the farm and may even be provided with food. Larger groups of workers are contracted only for specific assignments (i.e. cutting a sector) and may or may not be provided with housing. Housing may also be rented to groups of workers or workers may have the responsibility to find and procure their own housing arrangement.<sup>25</sup>

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<sup>20</sup> Interview with Omar Salazar, ASEPROLA (Asociación Servicios de Promoción Laboral), October 2008.

<sup>21</sup> ASEPROLA. *Labor Conditions in the Costa Rican Sugar Industry*. May 2005.

<sup>22</sup> Ibid.

<sup>23</sup> Interview with Omar Salazar, ASEPROLA (Asociación Servicios de Promoción Laboral), October 2008.

<sup>24</sup> Interview with Karina Fonseca, Red Nacional de Organizaciones Civiles para las Migraciones Costa Rica. November 2008.

<sup>25</sup> Ibid.

According to NGO reports, most worker housing is in poor condition, unsanitary and not regularly maintained, especially any housing provided by contractors.<sup>26</sup> In Guanacaste for example, houses are not maintained in good condition and are generally small and unfurnished. Housing intended for 4-5 people may be used to house 10.<sup>27</sup> On the other hand, workers may live in shacks that they build for themselves.<sup>28</sup>

One group, ASEPROLA, stated that potable water is normally available, as access to drinking water is not a problem in the country. However, the Red Nacional (National Network of Migration Civil Organizations) stated that they are trying to document working and living conditions of migrant workers in various sectors and are finding that there is usually no potable water and no latrines.<sup>29</sup>

Availability of electricity varies; it may not be regularly available in remote rural areas and it's likely that workers must pay for any electricity that they use. Overall, housing conditions are likely to be better for larger mills and worse for smaller ones or contractors.<sup>30</sup>

### Safety

It is generally acknowledged that migrant workers labor in poorly controlled conditions.<sup>31</sup> When workers are employed through contractors, they will most likely not have workers' compensation insurance, and therefore lack security in case of workplace injury.<sup>32</sup> Contractors are also not likely to provide personal protective equipment to workers.<sup>33</sup>

### Legal Status

A contributing factor to many of these labor issues comes from the legal status of the Nicaraguan migrants. According to NGO groups, most migrants are undocumented and find it difficult and costly to obtain work visas.<sup>34</sup>

While temporary work visas are made available to certain Nicaraguan migrant workers, it is reportedly difficult and costly to process them, requires a commitment from the contracting company and most migrants do not have information about such visa options.

For these reasons, migrants may find that legal work documents are hard to get. While in reality the documents may cost just \$40, most workers will not have the resources

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<sup>26</sup> Interview with Karina Fonseca, Red Nacional de Organizaciones Civiles para las Migraciones Costa Rica. November 2008.

<sup>27</sup> Interview with Daniel Redondo, International Organization for Migration, November 2008.

<sup>28</sup> Interview with Karina Fonseca, Red Nacional de Organizaciones Civiles para las Migraciones Costa Rica. November 2008.

<sup>29</sup> Ibid.

<sup>30</sup> Interview with Omar Salazar, ASEPROLA (Asociación Servicios de Promoción Laboral), October 2008.

<sup>31</sup> Ibid.

<sup>32</sup> Interview with Daniel Redondo, International Organization for Migration, November 2008.

<sup>33</sup> ASEPROLA. *Labor Conditions in the Costa Rican Sugar Industry*. May 2005.

<sup>34</sup> Interview with Karina Fonseca, Red Nacional de Organizaciones Civiles para las Migraciones Costa Rica. November 2008.



necessary to cover this fee and instead may face a choice between eating and obtaining appropriate work documents.<sup>35</sup>

An additional obstacle to the legal status of workers is that, despite dependence on migrant workers, many employers do not want to pay visa related fees to secure migrants with appropriate legal documents. Engaging illegal workers also provides employers with the option of intimidating workers with possible deportation in case of any labor complaints. This includes contractors, who may take advantage of workers' undocumented status to pay them less or not pay them at all.<sup>36</sup>

Even where workers have arrived to Costa Rica with temporary work visas, they may violate the terms of the visa by staying past the visa expiry in pursuit of additional work opportunities. In these cases, workers may come with a temporary work visa for the sugar harvest season but then stay and transit from harvest to harvest as other commodities come into season, such as melon and coffee. This is facilitated by the staggered harvest seasons, as the sugar harvest is normally January to April, melon is in the summer and coffee is from mid-summer to December.<sup>37</sup>

Despite the common presence of undocumented workers in the fields, in the larger sugar mills and their corresponding plantations, many workers are documented.<sup>38</sup>

Despite a bi-lateral agreement between Costa Rica and Nicaragua concerning temporary migrant labor, there is reportedly little support in place to help workers become or remain legal. The migration law in Costa Rica is reportedly "strong," but does not help provide a route for currently undocumented workers to become normalized. The attitude of the Costa Rican government toward the Nicaraguan migrants is reportedly ambivalent.<sup>39</sup>

### *Child Labor*

Overall, child labor in Costa Rican agriculture remains a problem today. However, the extent of child labor may vary by crop.<sup>40</sup> For example, in coffee, harvesting involves hand-picking berries off of bushes, which is less challenging for children than cutting sugarcane. Entire families will work together to harvest coffee. The picture is somewhat different in the sugar industry.

While child labor is generally not found on large sugar operations and plantations in Costa Rica, it remains an issue on smaller farms that supply to mills indirectly. Small or family owned farms are generally not monitored by the Ministry of Labor.<sup>41</sup> If children are present in these smaller sugar entities, it will normally be under three circumstances: (i) it is a family-owned farm and the child is working with family members; (ii) contract labor

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<sup>35</sup> Interview with Daniel Redondo, International Organization for Migration, November 2008.

<sup>36</sup> Interview with Karina Fonseca, Red Nacional de Organizaciones Civiles para las Migraciones Costa Rica. November 2008.

<sup>37</sup> Interview with Daniel Redondo, International Organization for Migration, November 2008.

<sup>38</sup> Ibid.

<sup>39</sup> Ibid.

<sup>40</sup> Interview with Daniel Redondo, International Organization for Migration, November 2008.

<sup>41</sup> Interview with Omar Salazar, ASEPROLA (Asociación Servicios de Promoción Laboral), October 2008.

is used on the farm and the person contracted to cut the land recruits their own family, including spouse and children; (iii) Nicaraguan migrants aged 15-18 may seek out the work even if they are legally too young to engage in hazardous labor.

Child labor is also more prevalent in remote rural areas, where 14,000 children aged 15-17 work. Of these, 68% work in agriculture, domestic labor and fishing; 45% do not attend school.<sup>42</sup>

Children of migrant workers also face special challenges. If they do not have documents, they may not be able to enroll in school. In some regions, NGOs are facilitating their enrollment but they still cannot get a graduation certificate upon completion of 6<sup>th</sup> grade without special intervention.<sup>43</sup>

In addition, children of migrant workers may have a highly nomadic lifestyle, as parents move from harvest to harvest or job to job. This creates another challenge to ensure their access to education. These children may also live in poor or inhumane conditions, with some in a state of near abandonment.<sup>44</sup>

*Enforcement*

As with other countries in the region, the government lacks resources to carry out supervision over plantations and small farms.<sup>45</sup> There is an insufficient number of labor inspectors and existing inspectors may not have the means to access remote agricultural sites.<sup>46</sup>

**Table 3.0 Summary of Primary Labor Issues, Recommendations, Good Practice**

The data for this table summarized the primary labor issues discussed in the previous section and incorporates some input on recommendations and good practices gathered from various civil society groups.

ISSUE	DETAIL	RECOMMENDATIONS	GOOD PRACTICES
Indirect employment status	Workers are hired into an indirect employment arrangement by contractors. This blurs employer responsibility for issues such as wages, social security, etc.	Mills may either choose to eliminate the subcontracting of employment to recruiters and contractors or they may actively monitor and seek to enforce the legal compliance of the contractors that they use.	There are mills that are organized as cooperatives and workers become joint owners under such a program. <sup>47</sup>
Migrant workers' legal	Migrant workers lack documents to ensure	1. State should improve access to	Some companies support programs for

<sup>42</sup> Interview with Virginia Jiménez, Caritas Nacional de Costa Rica, November 2008.

<sup>43</sup> Ibid.

<sup>44</sup> Ibid.

<sup>45</sup> Interview with Omar Salazar, ASEPROLA (Asociación Servicios de Promoción Laboral), October 2008.

<sup>46</sup> Interview with Daniel Redondo, International Organization for Migration, November 2008.

<sup>47</sup> Interview with Omar Salazar, ASEPROLA (Asociación Servicios de Promoción Laboral), October 2008.

ISSUE	DETAIL	RECOMMENDATIONS	GOOD PRACTICES
status	their legal status, leaving them open to exploitation by contractors or others and depriving themselves of protection from the state and access to benefits and services.	<p>and ease of getting legal documents.<sup>48</sup></p> <ol style="list-style-type: none"> <li>Private enterprise should support workers' effort at regularization, which may only require sending for documents from Nicaragua.<sup>49</sup></li> <li>Employers should bring workers over legally and ensure their business plan incorporates any related for foreign labor.<sup>50</sup></li> </ol>	workers to send for documents. <sup>51</sup>
Child labor	Children may still be used by independent producers. <sup>52</sup> There is an information gap here but it seems that mills are most likely not monitoring the use of child labor by independent producers that supply to them.	<ol style="list-style-type: none"> <li>Mills should institute monitoring of independent producers to ensure that child labor is not employed.</li> <li>The State should establish policies to support the enrollment of all children in school.<sup>53</sup></li> </ol>	<ol style="list-style-type: none"> <li>A state-run scholarship program may support efforts of parents to pay for uniforms and school supplies.<sup>54</sup></li> <li>The coffee industry has reportedly seen the benefit of certifying goods as non-child labor.<sup>55</sup></li> </ol>
Poor working conditions	Workers may receive less than minimum wage or may not get paid at all. These risks are higher under contractor employment schemes. <sup>56</sup>	Mills should institute monitoring of independent producers to ensure that legal wages are paid to indirect workers.	Provide information to workers about their rights and how to get support in protecting their rights. <sup>57</sup>
	Lack of benefits, social insurance; lack of access to health services	In case of a mill using indirect workers, help the contractor see the business case for paying social security	Employers may save money in lost work days by paying a doctor to be on-site to support health of workers. <sup>59</sup>

<sup>48</sup> Interview with Karina Fonseca, Red Nacional de Organizaciones Civiles para las Migraciones Costa Rica. November 2008.

<sup>49</sup> Interview with Daniel Redondo, International Organization for Migration, November 2008.

<sup>50</sup> Ibid.

<sup>51</sup> Ibid.

<sup>52</sup> ASEPROLA. *Labor Conditions in the Costa Rican Sugar Industry*. May 2005.

<sup>53</sup> Interview with Virginia Jiménez, Caritas Nacional de Costa Rica, November 2008.

<sup>54</sup> Ibid.

<sup>55</sup> Interview with Daniel Redondo, International Organization for Migration, November 2008.

<sup>56</sup> ASEPROLA. *Labor Conditions in the Costa Rican Sugar Industry*. May 2005.

<sup>57</sup> Interview with Daniel Redondo, International Organization for Migration, November 2008.

ISSUE	DETAIL	RECOMMENDATIONS	GOOD PRACTICES
		contributions for workers. <sup>58</sup> Monitor their compliance with this legal requirement.	A coffee project, funded by the World Bank, brings doctors, health teams to farms to offer health services to workers. <sup>60</sup>
	Lack of workers compensation and PPE for indirect employees	Mills should institute monitoring of independent producers to ensure that workers receive PPE and have access to health services in case of accidents.	None noted.
Poor living conditions	Regular access to potable water is reportedly a challenge	Where mills or producers regularly employ migrant workers who are in need of housing, clear policies for provision of housing should be expounded. If housing is provided by the employer, they should take responsibility for providing suitable housing and services. Otherwise, a housing stipend may be agreed upon in place of provision of housing.	None noted.
	Overcrowding; reports of housing intended for 5 persons occupied by up to 10.		
	Reports that latrines are not always available in housing area.		
	Reports of poor housing construction, especially when constructed by the worker themselves		
Lack of monitoring and enforcement	The government lacks resources to effectively monitor and enforce legal compliance in the sugar industry, especially for the independent producers who are small land holders.	<ol style="list-style-type: none"> <li>1. The State should implement greater controls for verifying compliance of employer.<sup>61</sup></li> <li>2. Workers need a means to report labor complaints and increased capacity to protect themselves.<sup>62</sup></li> <li>3. Workers need space to elevate issues to</li> </ol>	A US DOL program is looking at how to support local government enforcement.

<sup>58</sup> Ibid.

<sup>59</sup> Ibid.

<sup>60</sup> Ibid.

<sup>61</sup> Interview with Omar Salazar, ASEPROLA (Asociación Servicios de Promoción Laboral), October 2008.

<sup>62</sup> Interview with Karina Fonseca, Red Nacional de Organizaciones Civiles para las Migraciones Costa Rica. November 2008.

<sup>63</sup> Ibid.

ISSUE	DETAIL	RECOMMENDATIONS	GOOD PRACTICES
		buyers, perhaps through regular monitoring, i.e. annual NGO audit <sup>63</sup>	

## REMAINING QUESTIONS

In order to more fully assess the status of the primary labor issues identified in this report, additional information from the sugar mills and farms themselves would shed light on important practices. Some of the key questions that remain to be answered center on the practices of contractors and how or if their legal compliance is monitored, especially in regard to child labor.

To that end, a questionnaire was developed to gather key data points from mills and farms in Costa Rica. This questionnaire is available in the appendix of this document.



## APPENDIX

### FARM:

#### Housing:

- Do farm workers live in housing provided by the mill?
- If so, what % of workers live in the housing?
- Does housing have plumbing, potable water, electricity, trash collection services?
- What % of workers reside there during the off season?
- Where do workers live if not in housing provided by the mill?

#### NGOs:

- Have media or NGO groups interviewed workers or requested access to them?
- If so, what were the issues they were concerned about?
- Are there currently any groups (government or otherwise) conducting social projects on the land or for the workers and their families?
- If so, which groups and what is the nature of the project?
- Is the mill engaged in any such social project?

#### Health Issues:

- What are the primary health issues/problems for farm workers?
- What does the mill do to address those issues?
- What medical services are provided/available?
- Are these services available to families of workers?
- Are social security contributions paid? If yes, by whom?

#### Hiring:

- What is the process for recruiting farm workers?
- Are third parties used to recruit workers?
- What is the process for obtaining work permits for foreigners?
- What is the average tenure of field workers? (How many seasons?)
- Are labor contracts signed with field workers?
- What are the terms of employment?
- What equipment is provided to workers at the time of hire?
- Does the worker pay a deposit for the equipment or do they purchase their own?

#### Indirect Workers:

- What % of workers are direct vs. indirect?
- If there are indirect workers, what is the agreement with the labor agency or contractor?
- Why is this system used over direct employment?
- Who receives wages for the workers?
- How is legal compliance monitored or verified?
- How many agencies does the mill work with? What are their names?
- How long has the agency operated under that name? What was its previous name?
- Are agencies or contractors monitored to ensure compliance with law?

#### Wages & Work Hours:

- How are wages calculated? (Hourly, production, etc.)

If by production, how does the mill ensure workers earn at least the legal minimum?  
How are work hours recorded?  
How are overtime hours recorded/tracked?  
Is overtime paid?  
Is any type of premium pay given?  
What is the policy on rest days?

**Associations:**

Is there a union or solidarity association for farm workers?  
What % of workers belong to each group?  
Does the association bargain for wages or other employment issues? If yes, what issues?

**Harvest:**

What % of field work is now mechanized?  
Are cane fields burned? If yes, why?  
What is the total number of farm workers employed during the harvest?  
What % are male vs. female?  
What jobs do female workers hold?

**MILL:**

**Independent producers:**

How many independent producers supply to the mill?  
What is the average size of these producers?  
What % are family owned and operated?  
Are independent producers monitored to ensure legal compliance? If so, how? How often? Are results recorded?  
How is use of child labor by independent producers monitored and prevented?