



ILAB Structure, Funding and Mandate

The Bureau of international Labor Affairs (ILAB) is a specialized, internationally-facing agency of the U.S. Department of Labor that protects the well-being workers of in the United States against unfair competition from foreign companies and governments that use forced labor, child labor, repression of worker rights, and other egregious labor rights violations to gain an unfair economic advantage in the global marketplace. ILAB's mission and work has remained constant under both Republican and Democratic presidents. ILAB uses research and reporting, diplomatic engagement, and technical assistance projects to promote adherence to international labor standards, enforce the labor requirements of US trade agreements, and fight child labor, forced labor, and human trafficking worldwide.

Established in 1947, ILAB today employs just over 150 civil servants with expertise in global labor issues including child labor, forced labor and trafficking, international labor law, multilateral affairs, and the impacts of global trade on labor and working conditions. ILAB's staff work in close coordination with the Department of State's Bureau of Democracy, Human Rights and Labor (DRL), the U.S. Trade Representative (USTR) and numerous other federal agencies to ensure labor issues are given sufficient consideration in U.S. foreign policy.

Congress has maintained roughly flat funding for ILAB for the past several years. In fiscal years 2023, -24, and -25, ILAB's appropriation in the Labor/HHS bill was \$116 million. Per Congressional directive, approximately \$81 million of ILAB's annual appropriation is set aside for technical assistance projects. Congress requires that ILAB spend at least \$30.175 million on each of two broad categories¹: programs that address child labor and programs that support worker rights in trade partner countries. Though many ILAB projects cut across both categories, historically, ILAB has spent a larger share of its technical assistance funding on projects that address child labor and forced labor. Under the Biden-Harris administration, however, ILAB increased resources for projects to address worker rights in countries that trade with U.S., part of the Biden-Harris administration's focus on "worker-centered trade policy." In addition to its regular appropriation, ILAB received a supplemental appropriation \$180 million over three years under the US Mexico Canada Agreement Implementation Act² to support technical assistance projects in Mexico aimed at leveling the playing field between Mexican and American workers.

ILAB is led by a Deputy Undersecretary, appointed by the President, who reports directly to the Secretary of Labor. ILAB staff are organized into three functional offices: the Office of International Relations and Economic Research (OIRER), ILAB's smallest office, represents the United States in multilateral fora and institutions such as the International Labor Organization (ILO), the United

¹ The 2024 Consolidated Appropriations act specifies "...not less than \$30,175,000 shall be for programs to combat exploitative child labor internationally and not less than \$30,175,000 shall be used to implement model programs that address worker rights issues through technical assistance in countries with which the United States has free trade agreements or trade preference programs..."

² <https://www.congress.gov/bill/116th-congress/house-bill/5430/text>

Nations body that promotes internationally recognized human and labor rights and in labor-related discussions at the G7, G20, and other multilateral fora. The Office of Child Labor, Forced Labor, and Human Trafficking (OCFT) is ILAB's largest office and is responsible for producing statutorily required reports including Department of Labor's Findings on the Worst Forms of Child Labor; the List of Goods Produced by Child Labor or Forced Labor; and the List of Products Produced by Forced or Indentured Child Labor³. The office of Trade and Labor Affairs is responsible for ensuring that trade agreements are fair to US workers and businesses. In addition to ILAB's Washington-based staff, Congress has required ILAB to place ten labor attachés in US Embassies in countries where labor issues are of heightened concern: Colombia, Guatemala (also covering Honduras), Switzerland (headquarters of the International Labor Organization), Vietnam, Bangladesh, plus 5 attaché posts in Mexico.

Trade and Labor

ILAB protects U.S. workers and businesses ensures the promotion and enforcement of labor standards requirements in US trade agreements and preference programs. Prior to the negotiation of a new trade agreement, ILAB researches the potential impact of the trade agreement on workers in the US, in consultation with USTR. ILAB also shares country-specific analysis and recommendations on critical labor issues with USTR and other relevant federal agencies—for example, identifying regions or sectors with lax labor inspections, systemic worker rights abuses in export sectors, or gaps in national labor law that result in labor abuses. The issues ILAB identifies often become the basis of bilateral labor action plans with trade partner countries, which also inform the design of ILAB's technical assistance programs.

Along with USTR, ILAB participates in negotiation of the labor chapter of trade agreements. Once a trade agreement or preference program has entered into force, ILAB continues to monitor partner countries' compliance with the labor requirements of the agreement, including through handling of formal labor-related trade complaint submissions from external stakeholders like trade unions or human rights organizations. ILAB works with USTR and other federal agencies to investigate and address labor violations, including through formal dispute settlement. ILAB also engages closely with partner governments, worker organizations, and businesses to remediate labor violations. In both the lead-up to a new agreement, and while the agreement is in force, ILAB technical assistance programs enable stakeholders to make concrete improvements to promote respect for labor rights, for example, improving a labor ministry's data collection on minimum wage and overtime violations, strengthening the capacity of labor inspectors to identify forced labor in export-oriented sectors, or building the capacity of unions to organize and represent workers in collective bargaining.

Forced and Child Labor

ILAB is tasked with leading U.S. effort to tackle the most serious labor rights violations abroad—child labor, forced labor, and human trafficking—regardless of a country's trade relationship with the United States. ILAB's most visible work in this area is its Congressionally-mandated reporting, the Findings on the Worst Forms of Child Labor, List of Goods Produced by Child Labor or Forced Labor, and List of Products Produced by Forced or Indentured Child Labor. To produce these reports, ILAB researchers draw on extensive public data sources including reporting from counterpart U.S. federal agencies, surveys and information from foreign governments, cross-border commerce data, media reporting, and NGO and stakeholder accounts, supplemented by field

³ <https://www.dol.gov/agencies/ilab/resources/reports/child-labor>

investigations. The reports are shared widely with ILAB's stakeholders, foreign governments, and federal agencies to form the basis of U.S. diplomatic and stakeholder engagement to end child and forced labor. ILAB's reporting also informs the targeting and design of its technical assistance programs on child or force labor, which work with communities, working families, employers, and governments to remediate entrenched child labor or forced labor practices. ILAB also publishes its reporting data on its own user-friendly apps to provide stakeholders, especially businesses with global supply chains, with searchable, accessible information on particular countries or products.

While ILAB reports do not directly lead to sanctions or other punitive measures on countries or products, other U.S. federal agencies, like U.S. Customs and Border Protection (CBP), may use ILAB reports as the basis for their enforcement actions, including import bans.⁴ Cooperation between ILAB and CPB has increased steadily since the 2021 passage of the Uyghur Forced Labor Prevention Act (UFLPA), which prohibits the import of goods produced with forced labor from the Xinjiang Uyghur Autonomous Region (XUAR) of China. As ILAB has steadily increased its efforts to trace downstream goods made with forced and child labor, including goods from XUAR, it has increasingly provided actionable information for CPB's forced labor enforcement efforts.

Congressional Mandates and Interagency Cooperation

In addition to mandates included within the Labor/HHS appropriations bill, ILAB responds to Congressional mandates in various trade and anti-trafficking laws. For example, the U.S.- Mexico-Canada Agreement Implementation Act tasks ILAB with monitoring Mexico's compliance with labor obligations and provided funding for ILAB programs and staff to carry out this work. The Act also established the Interagency Labor Committee (ILC) for monitoring and enforcement of labor compliance, tasked with "receiving and reviewing quarterly assessments from the labor attachés with respect to the implementation of and compliance with Mexico's labor reform." The Secretary of Labor and USTR co-chair the ILC; ILAB leads DOL's participation on the Secretary's behalf.

ILAB's flagship reports are mandated by Congress. The Trade and Development Act of 2000⁵ requires the Secretary of Labor to issue an annual report on the Findings on the Worst Forms of Child Labor ("Findings on the Worst Forms of Child Labor," also called "the TDA list"); the 2005 Trafficking Victims Protection Reauthorization Act (TVPRA) requires DOL to develop and make available to the public a list of goods from countries that the Bureau of International Labor Affairs has reason to believe are produced by forced labor or child labor in violation of international standards ("The List of Goods")⁶; and the 2018 Frederick Douglass Trafficking Victims Protection Reauthorization Act additionally requires ILAB to include, "to the extent practicable, goods that are produced with inputs that are produced with forced labor or child labor" on the List of Goods mandated by the TVPRA of 2005.⁷ These reports are also cross-referenced in other laws. For example, the 2023 National Defense Authorization Act requires the Department of Commerce to use ILAB's List of Goods Produced by Child Labor or Forced Labor when considering imports that are subject to its Seafood Import Monitoring Program.

ILAB makes critical contributions to the efforts of other federal agencies and Congress to adhere to and enforce international labor standards. ILAB sits on the Forced Labor Enforcement Task Force

⁴ <https://www.cbp.gov/trade/forced-labor>

⁵ <https://www.congress.gov/bill/106th-congress/house-bill/434/text>

⁶ <http://congress.gov/bill/106th-congress/house-bill/434/text>

⁷ <https://www.congress.gov/bill/115th-congress/house-bill/2200/text>

along with six other federal agencies and co-chairs, along with the Department of Homeland Security, the FLETF's entity list subcommittee, helping shape the methodology the FLETF uses to consider which companies should be added to the list and ensuring a robust review process. ILAB's Deputy Undersecretary serves as a Commissioner on the Congressional Executive Commission on China (CECC), a statutorily-established body, and with USTR, administers the Labor Committee for Trade Negotiations and Trade Policy, referenced in multiple trade laws since in 1962. In other instances, ILAB's role in intergovernmental efforts is derived from mandates to the Secretary of Labor or broader DOL, which the Secretary has delegated to ILAB. For example, DOL, via ILAB, maintains a list products and their countries of origin that ILAB believes have been produced with forced or child labor, as required by the 1999 Executive Order (EO) 13126⁸ aimed at ensuring that federal agencies do not procure goods produced with forced or indentured child labor. The EO requires federal contractors who supply products included on ILAB's list to certify that they have made a good faith effort to determine whether forced or indentured child labor was used to produce the items they supply.

Representation and Diplomacy

ILAB represents the United States at International Labor Organization, the tripartite UN body charged with establishing international labor standards and advancing decent work. Alongside American business and labor representatives, ILAB advances U.S. priorities in ILO debates and standard-setting on employment creation, working conditions, and labor rights globally. ILAB plays a similar role in labor discussions in other multilateral fora, such as the Organization for Economic Cooperation and Development (OECD), the G7 group of countries, and G20 and also leads bilateral engagement on labor issues with counterpart labor ministries around the world.

Technical Assistance

ILAB's research, diplomatic engagement, and policy leadership are underpinned by a robust and thoughtful portfolio of technical assistance projects implemented by independent organizations, primarily non-profit organizations with country- and subject matter expertise and deep experience implementing complex international projects. Technical assistance projects enable ILAB to effect change on priority labor issues and build connections with local stakeholders whose voice and analysis would not otherwise reach or inform policymakers in the US. ILAB is the only part of the US federal government with comprehensive global expertise on labor issues, and is the most important government funder of such work anywhere in the world. Although Congress bifurcates ILAB technical assistance into child labor and worker rights projects, many ILAB projects are cross-cutting and use a systems-approach to promoting labor compliance.

Examples of ILAB Technical Assistance

USMCA Implementation

The USMCA established the highest labor standards of any US free trade agreement in history and was preceded by sweeping commitments from the Mexican government to address longstanding labor rights challenges, including systemic repression of freedom of association and an entrenched culture of wage suppression. The government of Mexico pledged federal budget resources and legislative changes to reform the labor law and industrial relations culture to meet USMCA's labor requirements. To support Mexico's effort, Congress provided ILAB with \$180 million in supplemental technical assistance funding over three years for bilateral projects to improve the

⁸ <https://www.govinfo.gov/content/pkg/WCPD-1999-06-21/pdf/WCPD-1999-06-21-Pg1105.pdf>

capacity of Mexico's labor ministry to enforce the law, address child labor, support independent trade unions to organize workers in key export sectors like auto parts manufacturing, and promote employer compliance with the law.

This additional technical assistance funding was paired with new (time-limited) resources for staff, specifically 5 labor attachés in Mexico and a small team of Washington-based experts on Mexico labor and trade issues at both ILAB and USTR, tasked with working with the Mexican government to support implementation of the labor reform, engaging Mexican businesses and worker organizations, and handling cases of alleged violations of the labor chapter. ILAB policy and technical assistance staff worked together to design and sequence technical assistance projects to address specific areas of the labor reform, translating policy and legal changes into concrete action. At the early stages of the reform, one ILAB project focused on building broad public knowledge of the reform to improve understanding and utilization of new tools and systems. As the reform advanced, additional ILAB projects built the capacity of the Mexican labor ministry, inspectorate, and labor justice system to improve transparency and efficiency of case handling and records management, demonstrating the impact of the reforms to the public in real time. Simultaneously, a significant share of technical assistance funding was directed toward projects improving worker agency and rights in designated priority sectors like auto parts manufacturing, where labor conditions in Mexico have a direct and outsized impact on US workers and supply chains. As ILAB projects began to show positive results for workers and the labor ministry, they generated a multiplier effect as more businesses and workers became aware of the reforms and shifted their behavior accordingly. Many also increased their engagement with ILAB.

ILAB's comprehensive technical assistance programming in Mexico helped modernize the Labor Ministry's operations and fostered a surge of democratic worker organizing in sectors historically dominated by corrupt or absent "employer protection unions," that had contributed to low wages and poor working conditions for Mexican workers. As an outcome of ILAB's projects, tens of thousands of Mexican manufacturing workers successfully negotiated higher wages and improved working conditions, eliminating a key driver of unfair competition with U.S. workers. ILAB's programs also increased worker understanding and interest in the USMCA's Rapid Response Mechanism (RRM)⁹, a facility-specific enforcement mechanism that allows the US to quickly address cases of alleged labor rights violations. To date, the RRM has handled 32 cases, with workers involved in ILAB projects contributing important insight and information to ILAB and USTR's investigations of denials of rights.

An August 2024 independent evaluation of ILAB's technical assistance projects in Mexico's auto sector concludes, "[This evaluation] underscores a unique juncture in Mexico, where labor reform and the USMCA, particularly through the RRM, have catalyzed a shift toward empowering workers. With robust support from ILAB's technical assistance, these reforms have notably impacted the automotive sector," and argues for an expansion and extension of ILAB's approach.¹⁰

Apparel Imports From Haiti

Haiti is an important manufacturer of t-shirts and other basic apparel imported to the US. The Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2008 (HOPE II)

⁹ <https://ustr.gov/about-us/policy-offices/press-office/fact-sheets/2024/september/fact-sheet-uscma-rapid-response-mechanism-delivers-workers>

¹⁰ <https://www.dol.gov/sites/dolgov/files/ILAB/ILAB-MX-Evaluation-Final-Report-English-v2.pdf>

provides preferential treatment for US imports of apparel, textiles, and certain other goods from Haiti, conditioned on producers' compliance with core labor standards and Haitian labor law.¹¹ However, given weak labor law compliance and longstanding challenges with labor rights in Haitian apparel factories, HOPE II requires producers to participate in a factory-level labor compliance assessment and technical assistance program. The program, Better Work Haiti, is implemented by the International Labor Organization (ILO) in cooperation with Haitian producers, the Haitian labor ministry, and Haitian worker representatives and has been funded solely through ILAB technical assistance funding since its inception in 2008. Beyond enabling compliance with HOPE II, ILAB's Better Work Haiti program has provided a critical venue for constructive labor-management dialogue and US brand engagement around the always-fraught discussions of labor conditions in Haitian factories. It has also served as a stable and reliable source of information on labor conditions in factories when resource constraints, social turmoil, and government tumult have impeded the functioning of Haiti's ministry of labor and inspection capacity.

Child Labor in Critical Minerals Mining

The Democratic Republic of the Congo (DRC) holds more than half the world's reserves of cobalt, a critical mineral essential to the production of rechargeable lithium-ion batteries used in cell phones, electrical vehicles, and other consumer products imported into the US. Much of the DRC's cobalt comes from unregulated, artisanal mines, where children labor alongside adults in deplorable conditions without adequate clothing, personal protective equipment, or safety measures. Because cobalt mined by children in the worst forms of child labor cannot be distinguished from cobalt mined from the DRC's formal mining concessions, it is essential to take an industry-wide approach to improving labor conditions. ILAB underpins its intensive engagement with the DRC government and global mining companies with multiple mutually reinforcing projects that tackle interconnected aspects of the child labor in the DRC. For example, a project implemented by the research organization Elevate is working to improve supply chain tracing of cobalt into downstream goods, with a goal of creating scalable and replicable tools to improve transparency in critical minerals supply chains. A project implemented by the ILO works with communities, educators, and other local entities to strengthen remediation services for child laborers. It builds on work from a previous ILAB-supported ILO project that developed the DRC's Child Labour Monitoring and Remediation System, which transitioned the government from paper-based to management of child labor to a modern digital platform.

Seafood and Fishing

In addition to threatening ocean ecosystems, illegal, unreported, and unregulated (IUU) fishing and its associated labor abuses threatens US food and economic security. Reporting from ILAB and others has documented indicators of forced labor in IUU fishing, including confiscated passports, restricted movement, involuntary long hours, and violence against workers, as well as other worker abuses like fraudulent recruitment, dangerous working and living conditions, and wage theft. IUU fishing is also an area of subversive strategic competition from China, which heavily subsidizes its high seas fleet and flouts labor standards to the disadvantage of U.S. seafood producers and fishers.¹² Over the last several years, the US agencies that lead efforts to combat IUU fishing, including the National Oceanic and Atmospheric Administration (NOAA) and the US Coast Guard,

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https://ustr.gov/sites/default/files/Haiti%20HOPE%20II%20Report%20to%20Congress%202024_FINAL_0.pdf

¹² <https://shrimpalliance.com/wp-content/uploads/2024/11/September-4-2024-Letters-from-House-Natural-Resources-Committee.pdf>

have increased cooperation with ILAB to identify forced labor and regulate labor conditions. ILAB projects in the fishing sector, such as Plan International's Addressing Labor Exploitation in Fishing in ASEAN, strengthen the capacity of regional bodies like the Association of Southeast Asian Nations (ASEAN) and their member nations to collaborate to address forced labor and other abusive conditions in their region. Beyond improving safety and conditions for workers, this and other ILAB projects in the fishing sector enable US enforcement agencies to gain actionable information about IUU fishing practices. In 2022, the Treasury Department issued its first sanctions under the Global Magnitsky Human Rights Accountability Act of 2016, against two Chinese companies, covering 157 fishing vessels, for IUU fishing and associated labor abuses, citing "serious human rights abuse" onboard including widespread reports of physical assault against workers, malnutrition, overwork, withheld pay, and multiple crew member deaths.¹³

¹³ <https://home.treasury.gov/news/press-releases/jy1154>