



# LABOR PRACTICES IN THE FARMED SALMON INDUSTRY

“It is a sad fact that there are companies that regard Chile as an attractive area for the development and expansion of their activities, but don’t see the need to look to the safety at work of their workforce. It seems to me a grave situation when multinationals come here to get rich and don’t worry themselves over basic matters which would avoid the tragedies that have occurred during the last weeks and have put local families in mourning. It is shameful that this has happened here. It doesn’t happen in Norway; it wouldn’t be allowed by society in the developed countries.”

—FIDEL ESPINOZA, CHILEAN MEMBER OF PARLIAMENT, LOS LAGOS REGION, AUGUST 2005

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The global boom in demand for seafood, especially salmon, has induced companies, many from the European Union, to open salmon farming operations in parts of the world where labor costs are low and environmental regulations are few. While this tactic has produced profits for multinational companies, it has led to worker abuse and highly questionable practices. Moreover, mechanization of operations on factory salmon farms to boost production has destroyed jobs in the commercial fishing industry as a whole.

- According to the Norwegian government, 3,000 workers were employed in 1985 to produce 55,000 tons of farmed salmon; by 2000, only 2,500 workers were needed to produce 550,000 tons.
- The same pattern has occurred in Scotland. Today, fewer people work in salmon farming than a decade ago, even though output has increased five-fold.
- Not only has the number of jobs in global salmon farming declined, but so too has the quality; many are low-paying, short-term, and menial.

## THE SITUATION IN CHILE

Among Western nations, Chile has borne the brunt of exploitation by multinational farmed salmon companies. The phenomenal expansion of salmon farming in Chile, much of it spurred by Dutch- and Norwegian-based corporations, has had negative socio-economic impacts and flouted fair labor practices. In some cases, companies have failed to adequately protect workers’ lives.

- Many Chilean salmon farm workers receive average monthly wages of US\$200, while their Norwegian counterparts earn 378 percent more.
- More than half of Chilean salmon farm workers do not have life insurance, and three out of four do not have disability insurance.
- Half of all Chilean salmon farm workers are not members of a trade union.<sup>1</sup>

## TWO CASES IN POINT: CERMAQ AND MARINE HARVEST

### Cermaq

An investigation in 2001 by the Chilean governmental agency responsible for monitoring labor law found Mainstream Chile, the Chilean subsidiary of Norwegian-based Cermaq, guilty of a series of labor violations. Since 2002, Mainstream Chile has been fined at least 13 times for:

- failing to issue protective equipment to employees,
- failing to give workers employment contracts,
- requiring seven-day work weeks, and
- illegally suspending Mainstream Chile's first legally elected union leader.

In a report to the company, Chile's labor inspector wrote that the violations cited revealed a "high degree of unreliability in Mainstream."<sup>2</sup> The Norwegian tabloid *Dagbladet* went further, alleging that Mainstream was responsible for "persecution of union members, breaches of the law, safety discrepancies and fatalities."<sup>3</sup> Among its allegations:

- a young worker miscarried after being required to take an 11-hour night shift—in violation of Chilean law concerning treatment of pregnant employees,
- a diver died due to lax safety standards.<sup>4</sup>

### Marine Harvest

The world's leading farmed salmon producer, Marine Harvest, has an equally poor record of labor violations in Chile.

- In 2001, 433 out of 560 workers at one of its processing plants, where the lowest wages are typically paid, went on strike in protest. Employees (mostly women) demanded a \$15 per month increase; at the time 80 percent of Marine Harvest's workers earned only \$130 a month. In response, the company fired 55 workers.<sup>5</sup>
- In August 2005, the labor inspector for the Los Lagos Region of Chile fined Marine Harvest over the death of a diver working as a sub-contractor repairing anti-predator nets around salmon pens. Marine Harvest had neither an emergency plan for work-related injuries, nor a plan for transporting workers to a center for medical assistance, both of which are health and safety norms in Chile.<sup>6</sup>
- That same month in another incident, a Marine Harvest worker drowned in Llanquihue Lake, because he had not been issued a life jacket. The regional labor inspector cited Marine Harvest (1) for failing to have an up to date accident log and (2) for failing to report the worker's death to authorities, both violations of Chilean labor code.<sup>7</sup>

### Malachite green contamination in Chile

Environmental regulations are less strict in Chile than in Europe and North America, leading to questionable, even harmful, consequences for workers and consumers. A large shipment of Chilean frozen farmed salmon was rejected by Dutch health authorities and returned in 2004 because it was contaminated with malachite green, a carcinogenic fungicide sometimes illegally used in cultivating salmon eggs. Chilean officials feared the contaminated salmon would be dumped on their domestic market, but according to various sources, the owners attempted to sell the shipment elsewhere.<sup>8</sup>

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1 Terram, "Salmon farming in Chile—environmental and social conflicts," 2005, <[www.terram.cl](http://www.terram.cl)>.

2 "Cermaq chairman failed to mention violations," *Intrafish*, December 5, 2003, <[www.intrafish.com](http://www.intrafish.com)>.

3 *Dagbladet*, June 2003, <[www.dagbladet.no/magasinet/2003/06/28/372317.html](http://www.dagbladet.no/magasinet/2003/06/28/372317.html)>.

4 S. Cox, "Diminishing returns—an investigation into the five multinational corporations that control British Columbia's salmon farming industry," *Rain-coast Conservation Society*, 2004. <[www.raincoast.org/aquaculture/index.htm](http://www.raincoast.org/aquaculture/index.htm)>.

5 *Ibid.*

6 *Ecoceanos*, <[www.ecoceanos.cl/](http://www.ecoceanos.cl/)>.

7 *Ibid.*

8 *Ibid.*