



# **Brief Guide to Garment Manufacturing and Child Labour in Garment Sector in India**



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# Contents

## **1. Introduction to Garment industry**

- Introduction to the Process
- History of Apparel industry
- Multi Fibre Agreement (MFA)
- Present scenario

## **2. Garment Sector in India**

- History
- Current scenario
- Study of unorganised apparel market

## **3. Child labour in India**

- Introduction

## **4. Child labour in garment sector**

- Introduction
- Present statistics and incidences
- Laws and regulations

## **5. Working conditions**

## **6. Myth about child labour in garment industry**

## **7. Ethical Trading and Social Responsibility in garment sector**

# Introduction to Garment Industry

## Introduction to the Process

Today garments are not only for fulfilling the basic need of clothing but also to satisfy our aesthetic senses. Garment manufacturing is not only an activity now; it is the journey of an art. This journey of fibre starts from the sowing of cottonseeds to the selection of the fibres which are then converted into yarns through spinning and other methods. After that begins the journey from yarn to fabric which involves processes like weaving, knitting, tufting, felting etc. Then comes the finishing processes, which prepare the fabric for its beautification through dyeing and printing.

Textile industry is related to many more industries- agriculture, animal husbandry, mining of metals and minerals, forestry, chemical research and many others. The fibre is produced in fields in the form of cotton, flax and other fibrous plants. It is obtained from animals and insects like, sheep, goats, silkworms etc. Minerals like asbestos and wollastinite are also mined for getting fibres. As if these natural sources of fibres are not enough, they are chemically researched upon and synthetic fibres are prepared. As such yarns are formed from both, natural fibres such as cotton, hemp, linen, jute, wool, silk as well as from manmade fibres such as rayon and nylon.

The textile, textile product, and apparel manufacturing industries include establishments that turn fibre into fabric and fabric into clothing and other textile products. While some factories are highly automated, others still rely mostly on people to cut and sew pieces of fabric together.

Yarn formation – when the short fibres are twisted together they form a 'yarn' through a process called spinning.

Yarn to fabric – Fabric is formed by networking of natural or synthetic yarn, either by weaving or knitting. There are other processes for converting the yarn into fabric as well. These processes result in greige good or unfinished fabric. Many finishing processes are employed for improving the appearance, feel and durability of the fabric.

Dyeing - Dyeing is a method which imparts softness and beauty to the textile by cleaning of starch (scouring) and applying various colours and their shades respectively on to a fabric. Dyeing can be done at any stage of the manufacturing of textile- fibre, yarn, fabric or a finished textile product including garments and apparels. The property of colour fastness depends upon two factors- selection of proper dye according to the textile material to be dyed and selection of the method for dyeing the fibre, yarn or fabric.

Apparel Making - The actual ready to wear apparel involves many more processes right from



pattern drafting to garment construction which include pattern designing and pattern making, grading, marker making, apparel cutting, sewing, pressing and finishing.

**Value Addition** – Value addition is the process of beautification of a basic garment by printing, embroidery, embellishment, patch work, etc. Value addition can be done right after dyeing, or in mid process on one section of the garment or after the apparel is ready as per the design requirements.

During the process of apparel making, some materials may be sewn by hand rather than by machine due to their value and delicacy. Hand sewers may specialise in a particular operation, such as sewing buttonholes or adding lace or other trimming, or any other value addition work that is done.

The apparel industry is made up of a complex chain of actors whose functions often overlap. The industry includes the following entities:

- Apparel manufacturers are primarily engaged in the design, cutting, and sewing of garments from fabric. Some manufacturers are contractors or sub contractors, which generally manufacture apparel from materials owned by other firms. Larger manufacturers often contract production to many such contractors and subcontractors in country and abroad. Some manufacturers are vertically integrated, producing the textiles from which they make garments, or even operating retail outlets.
- Value addition units are essentially the units for dying and printing; embroidery, embellishments, operations like buttonhole, lace and button attachment which require hand work or specialised machines are also done through such units. These units carry out work for most small and large manufacturer who cannot have such processes in-house. Small and unorganised, these are often the units with hardly any legal presence. Often such work is contracted out to home-working women as well.
- Apparel merchandisers generally design and market clothing, but contract the actual production to manufacturers.
- Buying agents locate, qualify and inspect foreign suppliers/producers of garments, negotiate with suppliers/producers, and often monitor production for quality control and compliance with other standards. They may be used by domestic companies that do not have a large presence abroad, or in addition to a company's buying staff.
- Retailers are primarily engaged in the distribution, merchandising, and sale of garments to consumers. Apparel retailers include department stores, mass merchandisers, specialty stores, national chains, discount and off-price stores, outlets, and mail-order companies. Some retailers who sell their own private labels go beyond their traditional role as distributors and become directly involved in the design and sourcing of garments from manufacturers and contractors.

## History of Apparel industry

The presence of apparel and fabrics dates back to the oldest of civilizations. There have been numerous different ways of weaving, knitting and stitching a fabric traditionally, which changes from region to region.

Need of clothing being the same, fashion and apparel industry has evolved itself. Before the American Civil War, ready-made (also called ready-to-wear) apparel existed but its variety was limited. Mainly coats and jackets (known as outerwear) and undergarments were purchased using predetermined sizes. Most clothing was made by tailors or by individuals or their family members at home.

The Civil War was a pivotal event in the historical development of men's ready-made clothing. At the outset of the Civil War, most uniforms were custom-made in workers' homes under government contract. As the war continued, however, manufacturers started to build factories that could quickly and efficiently meet the growing demands of the military. Mass production of uniforms necessitated the development of standard sizes. Measurements taken of the soldiers revealed that certain sets of measurements tended to recur with predictable regularity. After the war, these military measurements were used to create the first commercial sizing scales for men. The mass production of women's clothing developed more slowly. Women's outfits generally continued to be custom-made well into the 1920s.

With apparel industry being the most labour intensive industry, there were various cases of extreme exploitations, which led to development of various labour laws in 1930s. With the help of labour laws and third parties companies by mid twentieth century most of America was sweat shop free. 1940 saw the beginning of a sweatshop free environment, but at the same time in this sweatshop free environment the labour was becoming very expensive.

With a series of agreements, slowly the productions began to shift to developing nations. With Multi Fibre Agreement (MFA) of 1974, most of production process shifted to developing countries mainly in Asia (Lake, 2007).

## **Multi Fibre Agreement (MFA)**

The Multi Fibre Arrangement (MFA), also known as the Agreement on Textile and Clothing (ATC) governed the world trade in textiles and garments from 1974 through 2004, imposing quotas on the amount developing countries could export to developed countries. It expired on 1 January 2005.

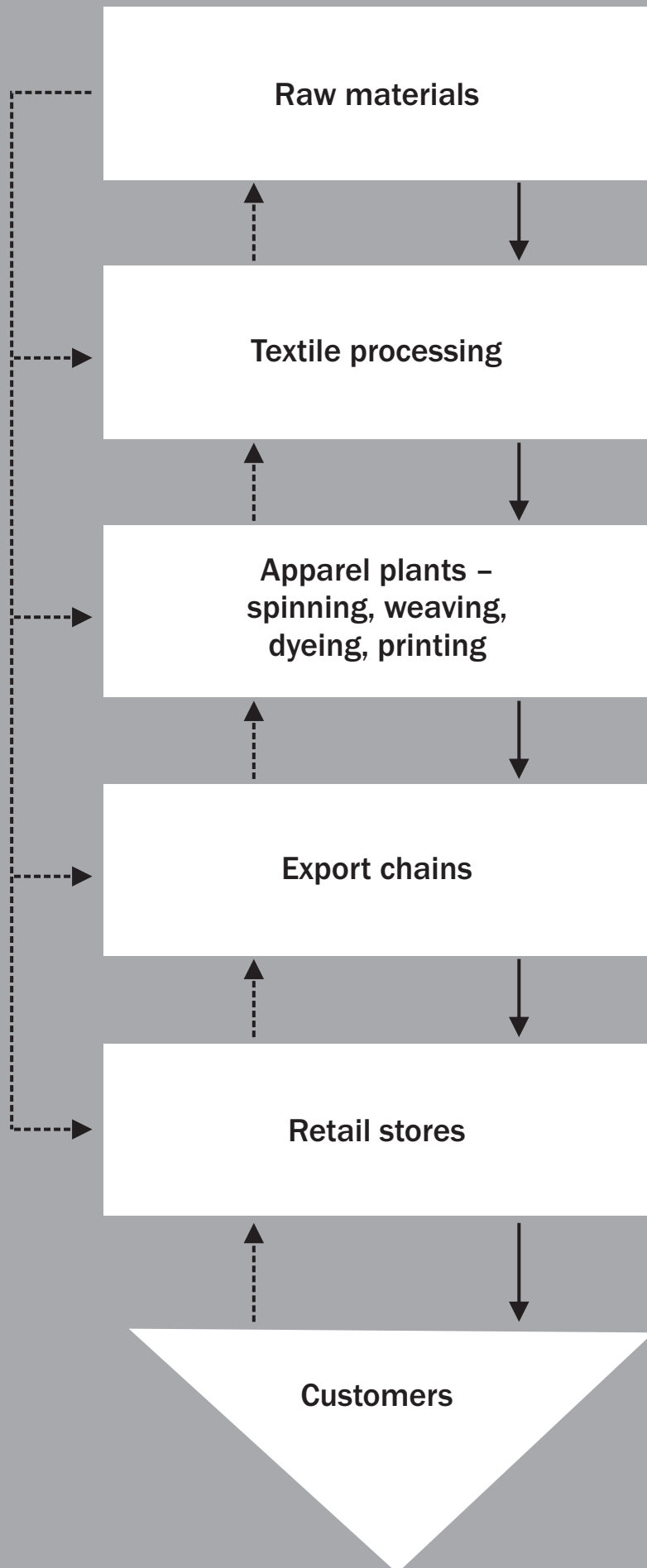
There are a number of reasons cited for the introduction of the MFA, although the most widely accepted is that of the developed world using it as a form of protectionism to secure their own textile industries against the threat posed by low-cost competition from less developed countries.

However, by giving quotas to individual nations, it also gave them a guaranteed share of the rich countries.' (BBC News, 2004) This is in contrast to some other justifications for the MFA, for example 'a major aim of the multi-fibre agreement has been to provide greatest scope for newly industrialised countries to increase their share of world trade in textile products whilst at the same time maintaining some stability for textile production in the developed economies.

It was also argued that the removal of the MFA is unlikely to benefit everyone, and smaller producers, and those with higher costs, such as South Africa, may lose out from its removal.

## **Present Scenario**

Although 1 January 2005 was supposed to mark the end of the quota system for all countries and was expected to unleash massive adjustment challenges for a number of countries, quota elimination has shown a mixed result so far. Several countries that had been projected by numerous studies to lose out in the post-quota world not only managed to hold on to their past gains, but also achieved significant growth in their export earnings. In 2005, Asia was supplying nearly half of the global textile and clothing market; China's exports alone accounted for 27 per cent of world trade in clothing.



# Garment supply chain

## Order confirmation

- Top Management level operation
- Problems of over and under booking of orders

## Fabric and trim procurement

- Outsourced from mills and market
- Excessive delays and quality variation

## Preparatory actions: Cutting, fusing, etc.

- In house operation by skilled labour
- Problems of workplace safety violations

## Value addition: Embroidery, printing

- Out sourced through sub-contraction
- Problems of illegal sub-contraction and child labour

## Assembling: stitching

- In-house operation by skilled and semi-skilled labour
- Problems of overtime, un-fair wages, maintenance of fake records

## Finishing and Packaging

- In house or outsourced operation by semi skilled labour
- Problems of workplace safety



# Garment Sector in India

## History

The history of textiles in India dates back to the use of mordant dyes and printing blocks around 3000 BC. The diversity of fibres found in India, intricate weaving on its state-of-art manual looms and its organic dyes attracted buyers from all over the world for centuries. The British colonisation of India and its industrial policies destroyed the innovative eco-system and left it technologically impoverished. Independent India saw the building up of textile capabilities, diversification of its product base, and its emergence, once again, as an important global player.

Manufacturers in the Indian Apparel Industry can be broadly classified into large scale, medium scale and small scale units. A report by Apparel Online states that the majority of manufacturers for apparel market are small scale units with not more than 30-50 machines.

## Current Scenario

Today, the textile and apparel sector employs 35.0 mn people (and is the 2<sup>nd</sup> largest employer), generates 1/5<sup>th</sup> of the total export earnings and contributes 4 per cent to the GDP thereby making it the largest industrial sector of the country. This textile economy is worth US \$37 bn and its share of the global market is about 5.90 per cent (Texmin, 2005; in Chandra, 2005).

The garment industry contributes 16.63% to the foreign earnings of India and it employs over 3.5 million workers. Delhi, Mumbai, Bangalore, Chennai and Tirupur/Coimbatore are five different garment production hubs in India, all specialising in different types of garment production. As the world's second largest producer of textile and garments, India's garment exports totalled US\$ 10.17 billion during the year 2008-09, giving it an enviable market share of 2.99%. The Americas, EU, much of Asia and Middle East are India's clients. The industry proudly supports 7 million people as part of its workforce. The Apparel Sector alone contributes to 8% of India's total exports with exports recording a 1% growth over last year (AEPC factsheet, 2009).

The phasing out of the MFA in 2005 was a great opportunity for small factories to increase garment production for exports. The prize is the \$360 bn market which is expected to grow to about \$600 bn by the year 2010 – barely five years after the expiry of MFA. As the market became highly competitive, only factories that could produce at the lowest cost survived; many were forced to close shop. Thus, stiff competition was inevitable among different factories in the country and also among the countries of the third world that were able to produce garments at a much lower cost than India. However, the industry is not yet free from the traditional cost reduction strategies of production such as deployment of child labour, keeping of wages below minimum wage etc.

## Study of the unorganised apparel market

It is often quoted, when referred to apparel industry in India, “the organised sector of apparel industry.” It is to be realised that the difference between the organised and unorganised apparel industry are vast and the unorganised industry is as huge as organised industry in India. The unorganised howsoever, as active as organised has little or no legal presence. The unorganised sector is not studied or recorded as the organised but contributes equally to the Indian apparel exports.

The manufacture of garments for export as well as domestic consumption is spread all over the country but mostly concentrated in urban centres. Delhi alone accounts for 60 per cent of all Indian exports. The garment industry consists of independent, small proprietary units at one end, and subcontracting units at the other. A great deal of end jobs is also farmed out to home-based workers. Characteristically, the methods of production and work organisation in this industry remain heterogeneous. The production process is split into separate functions undertaken in different locations and managed by different parties such as export agents, contractors and subcontractors. Essentially, the production of garments consists of dyeing of fabrics, design, cutting, stitching, embroidery and packing. By and large, core processes such as design, cutting and sampling are centralised and other jobs such as sewing, button stitching, thread cutting embroidery and washing are subcontracted.

The orders that are received by the organised vendors are often partially, in some cases fully executed through the unorganised subcontractors. The unorganised sector howsoever either directly deals with the small export and retail clients or just act as a support to the organised sector for bigger clients.

Irrespective of its contribution, the unorganised sector is not recognised. This sector however, stays unstudied beyond all boundaries of compliance and other legal laws.

Study of various such unorganised, unregistered units gives an insight on how are the true working conditions. While there are few units which are involved in sewing garments, most units are engaged in embroidery and hand work.

Work hours at these units are often between 8-13 hours long, which starts at the early hours of day as in most cases workers live where they work. At many places where there is no bondage or restriction of movement there are few cases where the workers are locked during work hours. Where there were almost no cases of physical harassment from the owner, verbal abuse and harassment amongst workers is common. Older workers often rule on the younger ones.

At various places one can spot a child or two who if asked, register their age as above 14. What is common between all these places is that they are dingy, badly lit, dirty, with the make shift arrangement of food and bed for workers with absolutely zero hygiene. Some of the pictures illustrate the situation.

# Child Labour in India

## Introduction

India is the country with the largest number of working children. There are no up-to-date and generally accepted statistics on child labour in India. Official estimates suggest more than 12 million child labourers in India (Census 2001). Estimates made by respected NGOs range between 55 million and over 100 million.

The majority of the child labourers in India works with their parents in the agricultural sector. Mainly girls work as full-time housemaids, often for the middle class. Children, both boys and girls, work in factories and workshops where they clean and pack food, weave carpets, sew and embroider garments, glue shoes, carry molten glass, cure leather, make matches, locks and firework, and polish gem stones, to mention a few occupations. Besides, children work in restaurants and large numbers are self-employed, hawking everything from cigarettes to flowers. Children even sell themselves as prostitutes. Other work children are doing is scavenging for and sorting garbage, crushing bricks and stones and working in road constructions and mines. These are not exclusive categories and may overlap.

While there are conflicting data regarding the number of children who are employed in the workplace, 'it is observed that the economic exploitation of children in India is extensive and appears to have increased over recent years'. Another observation is that child labour imposed a great cost on the economy of India in terms of 'the opportunity lost to develop the country's human resources'.

In a fast tempo India is changing from an economy where the rules were set by the Government into a market economy. To reduce its above mentioned problems, India makes use of many economic growth mechanisms; besides inviting (foreign) investments, the Government of India is stimulating export-oriented industries. The most lucrative, labour intensive and competitive export-oriented industries, like the gem and jewellery and garment industry, are supported most by the Government in terms of investments and tax exemptions etc., since they bring in much foreign exchange and generate employment. According to the Confederation of Indian Industries, the competitive edge in these industries and other major foreign exchange earners like the carpet, brassware, handloom, tea industry etc., is partly provided by child labourers (Confederation of Indian Industry. A Seminar On Economic Implications of Abolition of Child Labour in India, 1995, India, p. 5 (Background Paper), 'as they are paid less than adults and do not demand social security benefits and are, therefore, able to produce goods at a lower cost'. On the other hand, a







recent ILO study indicates that some industries with a large number of child labourers, like for example the glass-bangles and diamond polishing industry can very well survive without child labour.

India's competitive position in the world market is now partly based on the fact that it can provide both domestic and foreign investors with the cheapest, most flexible and docile workforce which is mainly working in the informal sector and 'of whom the majority consists of children and women, who are self employed, casual, contract, temporary, seasonal or migrant workers'. Industries and workshops, which operate in the informal sector in India, do not come within the purview of labour legislation, labour unions are opposed by these industries and workers are hindered to organise themselves; no collective bargaining agreement exists in the unequal relationship between the employer and the (child) worker, to improve the terms and conditions of their work.









# Child Labour in Garment Industry

## Introduction

Over the years, there has been a shift in the nature of the garment units that employ child labour. Earlier, child labour was extensively used in the garment exporting units, accounting for nearly 60 per cent of the child labour employed in Tirupur. The pressure from the international buyers in the form of social compliance has rendered a large number of the garment exporting units free from child labour over a period of time. Had it not been for the compulsion from buyers, the exporting units would have failed to tackle this social problem.

Child labour is also found in the vendor units of the garment exporters. A number of garment exporters sub-contract orders to other smaller units, which do not display high standards of social responsibility. While exporters have systems to ensure the quality of the products, they do not exercise adequate control over vendors in aspects like child labour.

One of the most controversial industries that thrives on child labour across the sub-continent is sequin or Zari work, intricate embroidery that has become immensely popular in American and European fashion stores. Sweatshop owners prefer to employ children because their thin, nimble fingers can work quicker on intricate ethnic designs.

It is estimated that 100,000 children work for more than 14 hours a day in the illegal sweatshops in and around Delhi. (Times online)

By the time the youngsters engaged in the Zari sector reach their mid-teens, their fingers and hands often are badly damaged and their eyesight weak from long hours of tedious work in dark rooms. Their growth is often stunted by years of sitting in uncomfortable, hunched positions at the bamboo framed workstations. Child workers have no fixed hours of work, nor is there any trade union to fight for their cause.

***For those children “lucky” enough to get paid, the combined wages of five unskilled child workers is less than that of a single unskilled adult.***

## Present Statistics and Incidences

The number of child labourers in the garment industry is very hard to estimate. Child labour is a pressing problem for the garment industry in India. In the knitwear town of Tirupur alone, there were

40,000 child labourers during 1993. Though it has been reduced drastically, it is still a critical issue. Today, the number of child labourers employed in Tirupur alone hovers around 8,000-12,000.

Woeful tales of torture, sexual abuse, unhealthy working conditions, and cruelty by employers are only part of the hellish narratives of these child workers. In reality, the children are trapped in a circle of exploitation and abuse that will deprive them of their teenage years. The long sticks of their supervisors and the heavy padlock on the grilled iron entrance to the courtyard of the sweatshop tell the real story of their lives.

A lot of children are bought to cities by their siblings or relatives in order to "learn the talent." The socio-economic culture provides an atmosphere where the child is willingly put to work in order to learn the talent of embroidery while he has nimble fingers, what is often overlooked is the conditions in which child is learning the skill. In majority of cases studied it has been registered that child is often not paid in first few months as he is learning the skill. Additionally, the 'nimble fingers' theory is now considered a fallacy, since the quality and productivity of an adult worker cannot be matched by a underage child.

BBC recently reported on Primark using child labour in the manufacture of clothing. In particular a £4.00 hand embroidered shirt was the starting point of a documentary produced by BBC's Panorama (TV series) programme. The programme asks consumers to ask themselves, "Why am I only paying £4 for a hand embroidered top? This item looks handmade. Who made it for such little cost?", in addition to exposing the violent side of the child labour industry in countries where child exploitation is prevalent. As a result of the programme, Primark took action and sacked the relevant companies, and reviewed their supplier procedures.

## Trafficked, bonded and abused

'I was bought from my parents' village in [the northern state of] Bihar and taken to New Delhi by train,' he says. 'The men came looking for us in July. They had loudspeakers in the back of a car and told my parents that, if they sent me to work in the city, they won't have to work in the farms. My father was paid a fee for me and I was brought down with 40 other children. The journey took 30 hours and we weren't fed. I've been told I have to work off the fee the owner paid for me so I can go home, but I am working for free. I am a shaagird [a pupil]. The supervisor has told me because I am learning I don't get paid. It has been like this for four months.'

....

Jivaj, who is from West Bengal and looks around 12, told The Observer that some of the boys in the sweatshop had been badly beaten. 'Our hours are hard and violence is used against us if we don't work hard enough. This is a big order for abroad, they keep telling us that.'

'Last week, we spent four days working from dawn until about one o'clock in the morning the following day. I was so tired I felt sick,' he whispers, tears streaming down his face. 'If any of us cried we were hit with a rubber pipe. Some of the boys had oily cloths stuffed in our mouths as punishment.'

From Guardian, 28 October 2007

## Laws and Regulations

1. Child Labour (Prohibition and Regulation) Act, 1986 (CLPRA): prohibits child below 14 year to work in any listed hazardous processes and occupations. Child labour is prohibited in some of the garment manufacturing processes such as cloth printing, dyeing and weaving; Manufacture of dyes and dye stuff; Handloom and power loom industry; Cotton ginning and processing and production of hosiery good; 'zari' making (all processes)' to name a few. If at all he works no child is allowed to work between 7 p.m. to 8 a.m. and not more than three hours without a break.
2. Minimum Wage Act, 1948: (MWA): The MWA has provision not only to ensure payment of minimum wage and overtime but it also has the provision for revision of wage every five years. As per the MWA, wage rate has to be in synchronization with the growth rate and has to be revised but at these work shops as they discuss piece rate system and thus denying application of the law.
3. Bonded Labour System (Abolition) Act, 1976 (BLA): The provisions the BLA suggest that there are four important stipulations that need to be satisfied to be bonded labour as per the Act. First, there should be an advance. Second, the worker should be doing work in lieu of that advance. Third, the wages paid are less than the minimum wage prescribed by the competent authority. Fourth, worker loses the right to move freely through out the country. All these stipulations, as we noted above, are satisfied in case of these workers irrespective of age, caste region and religion of the workers.

In PUDR vs. Union of India, the Supreme Court has ruled that “...Any factor, which deprives a person of choice of alternatives and compels him to adopt one particular course of action may properly be regarded as ‘force’ and any labour or service which is compelled as result of such ‘force’, it would be ‘forced labour’...”

Similarly, the court ruled, “...Where a person provides labour or service to another for remuneration which is less than minimum wage, the labour or service provided by him clearly falls within the scope and ambit of the word ‘forced labour’... as described in Art. 23 of the Indian Constitution”.

4. Right of Children to Free and Compulsory Education Act, 2009 (notified): The act asks for free and compulsory education for every child above 6 years and less than 14 years, under which the child can not be expelled or withdrawn from school during this phase. However, the children working at these units do not get any education in clear violation of their right to free and compulsory education.
5. The Juvenile Justice (Care and Protection of children) Act, 2000: This act defines a child as a person who has not completed 18 years of age. The act demands protection of child employee against mental and physical exploitation which in the given conditions is by all means not followed. It also prohibits the exploitation of a juvenile or child employee (Sec. 26) and is a cognizable offence.
6. The Interstate Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979: The act asks for registration of all establishments which hires more than five workmen and restriction on hiring migrant worker by any unregistered unit. The very fact that most of the establishments are unregistered violates the law. Additionally, a child is recruited by or through a contractor/middleman/trafficker in one state to work in an establishment in another state.
7. Other legal provisions include the Indian Constitution, Indian Penal Code, 1860, local laws, e.g. Goa Children's Act, 2003, and Supreme Court and High Court Judgments.

# Working Condition

The garment industry, especially in the export sector typifies the dehumanised conditions of work in the informal and unorganised sector. The extensive subcontracting has deeply fragmented the industry, leaving the workers with no enduring linkages. Most of the fabricators (workshops) are small units and remain unregistered and function with no legal backing.

Since work is seasonal, it is quite common to see production units being dismantled when there is no work. Located in crowded areas, the working conditions are poor, with little lighting and inadequate ventilation. The profile of women's work in the garment industry is quite heterogeneous. Those who work in large fabricators are either technically trained or literate, employed in specialised jobs (a negligible minority) or unskilled, working as checkers and helpers. With the exception of large units, wages are piece-rated. Although policy prescribes that all garment units be registered and conform to legislative prescriptions, there is large-scale evasion. The worrisome feature is the constant fear of closure of units. Any attempt to organise the workers results in the units being closed down and relocated elsewhere. Frequent closures also result in worker mobility that is horizontal and not vertical.

## Work Hours

Most work around 12 hours a day, with only small breaks for meals. Most of the child workers start work at dawn and work till the evening.

“Ramesh, 14, lives with his mother and younger sister in Ayanavaram, a Chennai suburb. His mother works in an embroidery company and earns 100 rupees (\$US2) per day. “Her work starts at 10 am and she returns home at 9 pm. There is no work for her many days. I studied up to 6th standard, but I found it difficult to continue my studies. When I was 11 years I took this job in order to learn mechanical work. My work starts at 9 am and finishes at 7 pm. I get paid 50 rupees (\$1) per week”.

## Food and living conditions

Ill-nourished, the children are very often fed only minimal staples. The vast majority of migrant child workers, who cannot return home sleep at the workplace, further inviting sickness and poor health.

Most of the children, who live at their work places, face physical abuse from adult labour. There are

cases of exploitation followed by no or minimum medical aid. The children are seldom, if chronic taken to doctor. At many places it has been found that children are punished by not provided meal for the day. Also subjected to bullying, children often lose the bare minimum of food that they get.

## **Wage rate**

With poor family conditions, children are often lured by the big money they make at work. But in truth, these children are not paid any amount for at least first few month of the service, as they are “learning” the skill. Even after year of working, many children are paid way below minimum wage.

“Fayaz has an angelic face but his expression is fearful. He checks the boss is not listening before saying he does not know how old he is. “I earn 300 rupees (£3.50) a week. I miss my friends,” he said. “I went to school and I miss it.”

Darinder was handed over to the workshop two years ago after his mother died, leaving his father, a farmer, to raise him and his three brothers and sisters. “I earn 2,000 rupees a month. One thousand rupees goes in my pocket, the other 1,000 is sent home. I want to go home,” he said.” (Times online)

## **Financial condition**

Taking aggressive action to eliminate this problem is difficult in a nation where 75 percent of the population lives in rural areas, most often stricken by poverty. Children are viewed as a form of economic security in this desolate setting, necessary to help supplement their families' income. Parents often sacrifice their children's education, as offspring are often expected to uphold their roles as wage-earning members of their clan.

In almost all the households with home-workers, children in the family helped the home based women workers in completing their daily quota of work. Thus, the labour of more than one person went into completing the task at hand. This form of child labour, wherein children engage in unpaid work in order to help their mothers, largely remains outside the ambit of general discussions on preventing child labour. It has been found that without the engagement of children the household enterprise's capacity to produce would not operate fully (i.e. would remain under-utilised) leading to a decline in the living standards due to poor rate per piece.

Though the child is not exposed to hazardous conditions like other industries, but long work durations and extreme conditions of physical and verbal abuse is as bad as any other industry. The under-paid children, abused and beaten, hurt and mal-nourished, sick and un-addressed are often made believe the condition being their ultimate fate and are convinced to not to talk about their conditions by force or by misleading them.

“Because of our poverty, my parents wanted me to become an apprentice at an embroidery company when I was 10. Then I was paid 15 rupees (US 30 cents) per day. My normal working day is 11 hours, from 8 am to 7 pm. Now after four years I get 50 rupees (\$1) per day. When I do overtime from 7 pm to 10 pm, I get an extra wage of 20 rupees (40 cents).” (exploitation of child labours in India.)

## Myths about child labour in garment industry

### THE ARGUMENTS FOR

Child labour is an absolute necessity for the survival of millions of people in many of the poorest parts of the world. Western ideas of what is acceptable are completely at odds with the grim reality of life in the slums of Asia and Africa.

The notion that child workers are being deprived of a 'normal' childhood is misguided. Except for Europe during the last century, child labour has been part of normal life in almost every society in history.

Child labour need not necessarily mean sweatshops. In developing countries many family-run businesses, such as restaurants, employ their own children to help out and learn practical skills.

Jobs provided by Western clothing companies are relatively safe compared to the alternatives. When US Congress banned imports of cheap clothing from Bangladesh in 1999, 50,000 children were forced to take jobs in brick factories or become prostitutes.

In some parts of the developing world, such as Brazil, the authorities accept that child labour is unavoidable. They can then put in plans to provide special financial support for families of working children, so that they can also attend school.

### THE ARGUMENTS AGAINST

Child labour of the kind used by the clothing industry is immoral on the most basic level. For the benefit of Western consumers poor children are being exploited and denied a chance to enjoy their lives.

Businesses which employ children illegally are not bound by any laws. It is not unusual for children to work 16 to 19 hours a day.

Children can more easily be exploited than adults in the workplace.

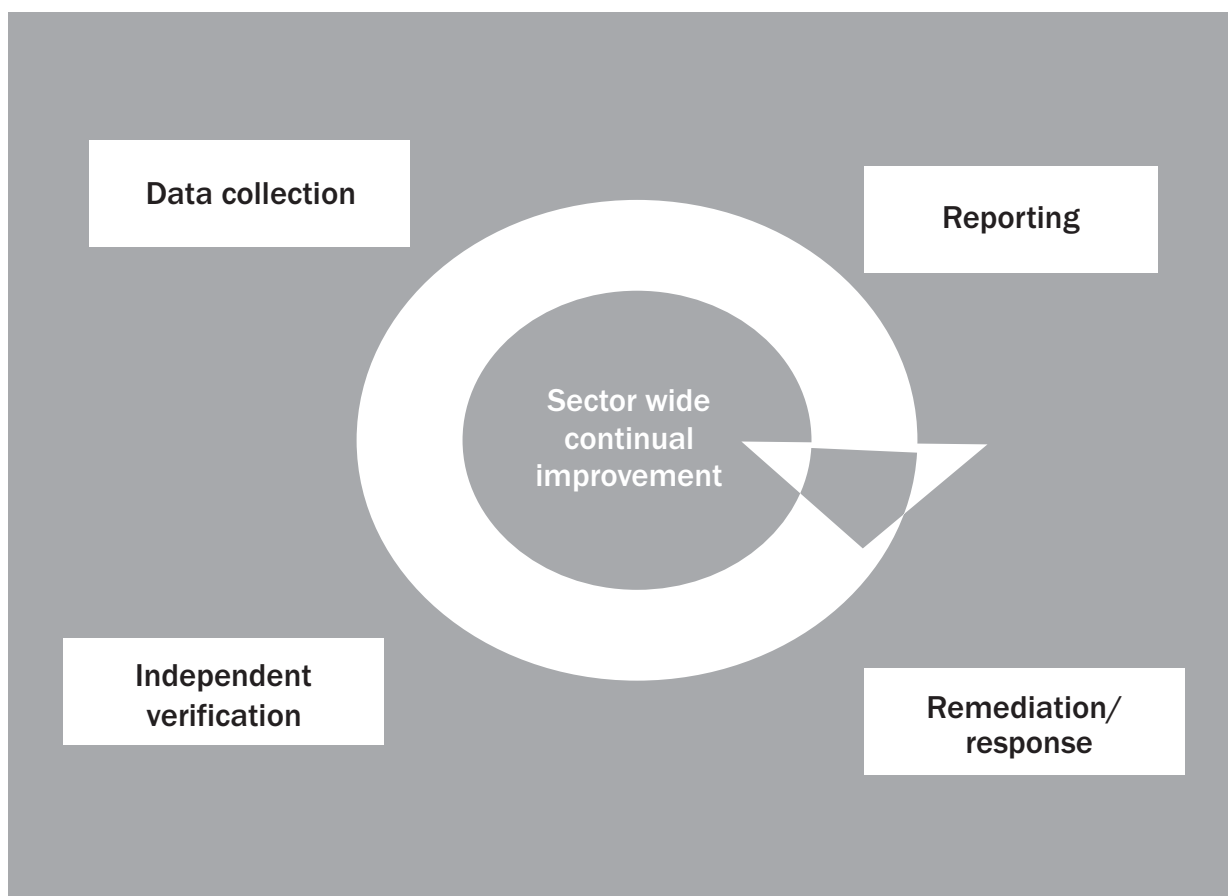
Cramped, harmful conditions can stunt a child's growth and ruin their health. In some cases toxic fumes result in lung damage and an early death; in others having to focus on tiny intricate work (such as embroidery) can ruin their eyesight.

Low wages paid to children have a detrimental effect on wages paid to adults. Trade unions argue that employers can hold adult workers to ransom if their jobs can be taken by children at any time.

Despite government incentives to keep working children in school, children with jobs will be too exhausted to properly benefit from their classes.



## Ethical Trading and Social Responsibility in garment sector



The international garment manufacturing scene, like many other industries has undergone a radical change during the last two decades in order to cut down on costs and be competitive, this resulting in outsourcing practices to developing countries. Similarly, cost cutting measures have been initiated in developing countries to out-source to the informal sector, certain process of a garment through middlemen who are responsible for the distribution of garments into individual households and the delivery of the same back into the factory. Today, a significant part of job work –stitching, hand embroidery, finishing processes - is done in homes under highly exploitative situations. The absence of labour standards in the informal and 'invisible' part of the industry brings in an opportunity to freely out source work without the additional cost factor or social protection; however the flip side of this is that quality standards of industry have progressively declined as most cost cutting is done at the expense of the workers' safety and skill development. With other factors constant brands compete on low labour cost to achieve maximum margins. It is not unusual with low wages and extensive overtime work in an environment that is directly hazardous to the worker (Fredricsdotter and Stigzelius 2006).

During the last few years, there have been some efforts to change this. Reports about companies employing child labour and sweatshops have caused significant damage to otherwise established brands that are now in the pursuit of creating their own social compliance and labour standards in order to re-build and protect their images.

Thus, over time, monitoring has evolved into allied monitoring systems, such as Workplace Codes of Conduct and Principles of Monitoring by the Fair Labour Association, Social Accountability 8000 (SA8000) by Social Accountability International, and Worldwide Responsible Apparel Production by the American Apparel and Footwear Association, to ensure both adoption of industry-wide standards and credibility of monitoring reports. At present, labour issues are primarily managed by firms' voluntary initiatives in response to the growing pressure from various groups. The

effectiveness of such voluntary initiatives and lack of control of corporations by regulatory bases has been questioned (O'Rourke, 2003; Sethi, 2003).

There are various studies that have analysed evolvement of sweatshops and corporate social responsibility. CO-OP America supports the idea that if we as consumers are more aware and demand sweat free garments it would force brands to end sweatshops. In his essay Matt Zwolinski (2006) explains that sweatshops reemerged as globalisation happened. In an attempt to improve working conditions, an increasing number of companies have developed codes of conduct that functions as a framework for enforcing the national laws (Young & Welford, 2002). External stakeholders, such as NGOs, trade unions and also buyers, have a central role in the implementation process. In order to safeguard the workers' rights and benefits, NGOs and trade unions are necessary in the monitoring and compliance process (Fredricsdotter and Stigzelius, 2006).

Today, a vast number of labels and code of conduct policies have entered the markets, which work towards achieving these standards in their outsourcing companies (buyers). In practice however, it is almost impossible for buyers to monitor and control each manufacturer's employment practices, given the fact that a significant part of the production is out-sourced and dispersed into the informal sector. Also it is coated that 'The plethora of buyers' codes is generating frustration and confusion among suppliers" (Freeman 1998, ILO 1998, Sarley 1998) and many factory managers are simply becoming more adept at covering up abuses (Lake 2007). As a result, issues of child labour and other labour rights does not emerge on surface, but is present deep through sub-contraction of the work.

As the diagram suggests, the continuous data collection, reporting, response and verification is the way out to the sector wide improvement. Training and transparency at the part of exporter where once can directly verify the sub-contractor and train and develop a no child labour situation, can create a better industry.

Monitoring, inspection, training, development of transparent systems and recording of improvements can eventually evolve and clean the various layers of sub-contraction. Following ethical trading a company has to look at,

Transparent data collection, that refers to providing clear picture of sub-contraction. Fine and subsequent reporting to know the situation below layers of sub-contraction. Respond by not black-listing but training and development of the factory preparing them to individual verification where each layer is separated, transparent and clean of child labor.

Also as we look at stakeholders in context of the ethical trading and an ideal garment supply chain, every stakeholder plays a key role. The role of each stakeholder can be defined as:

**Government:** Government should make sure about the registration of an establishment. Labour inspections, which are supposed to be conducted by the government, are to be conducted regularly. There is an urgent need to overhaul the labour inspectoral system, inducting and training more labour inspectors across the country. Government has to look socio- economic problems like poverty, illiteracy, unemployment of youth, etc. State and central government has also to look at the minimum wage and revise them regularly keeping in mind the global economy.

**Brands and buying agents:** Buyer has to look into the problems of low price rates which put additional pressure on the supplier. Also, at the same time, brands have to look at short timelines, shifting in market trend and consumer demand, last minute changes in order procurement. They are supposed to support their supplier by training, developing the awareness and monitoring ethical practices. Brands are also required to create awareness amongst the consumer groups to promote ethical consumerism.

**Suppliers:** Suppliers have to give attention to capacity booking, most of the supplier book beyond capacity and are often running against deadlines. Suppliers must engage in intensive training and development of the employees as well as their sub-contractors.

**Contractor and sub contractor:** As the need for competitive prices arose, the contractors and sub contractors, understanding the value of cheap labour, looked out to the various options available to provide the lowest price to be bargained. These contractors, looked out to exploiting the workers, looking for cheapest available workforce and in some cases created a new cheap work force, i.e. child labour. At various incidences as children prove to be a cheaper source of labour, the contractors hire children to work at illegal free-standing units.

At this stage, there is need for contractors, who ensure that each garment under them does not involve child labour. These are the people who have also understood the shift to ethical trade, and have started looking out for options to promote responsible sourcing and sustainability in the industry.

**NGOs:** Non government organisations have a key role in raising awareness and informing people about the misuse of children, denying them the fundamental rights of shelter, food and education. They are the ones who identify the areas of child labour and bring to the knowledge of government. They inspire the society and educate them on the issue of child labour. NGOs at certain times take sharp measures like boycotts, etc. which push the matter more under cover than solving it. The training and development of stakeholders in industry, promotion of ethical trade are few successful measures.

**Trade Union:** At times in order to avoid the issues of trade unions, exporters prefer to sub contract the work or have contractual labor. Such entities, created to support the labour force, ends up in destroying the harmony of industry. Trade unions are required to have a wider perspective in discouraging unethical trade directly, promoting better working conditions and better monitoring mechanisms.

**Other Agencies:** Agencies like Export promotion council, etc. with their policies directly or indirectly create impact on working conditions and ethical trade. For instance, development of Special Economic Zone will lead to migration of labor towards these zones. Thus, each of such agencies, are required to regulate and design their policies to support ethical trade.

The need of ethical trade needs transparency in operation at every level of supply chain, as well as various other stakeholders. Each of the above needs to play a key role in order to develop an ethical garment supply chain. The combination of social responsibility and role playing can create the desired ethical supply chain.

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