



MADE *BY* CHILDREN

Child labour in garment sub-contracting units in Bangalore

C O N T E N T S

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I N B R I E F

Businesses across the globe are global sourcing and production networks spanning multiple locations and even countries. Along with out-sourcing and sub-contracting of processes, often the labour rights violations including child labour, forced labour, non-payment of minimum wages, overtime, etc. are outsourced all along these sub-contracting chains.

The garment industry also faces these challenges with demand for cheap and every-changing fashion trends, outsourcing is a norm and not an exception due to low production cost in developing countries like India.

It is often quoted, when referred to apparel industry in India, “the organised sector of apparel industry.” It is to be realized that the difference between the organised and unorganised apparel industry are vast and the unorganised industry is perhaps larger than the organised industry in India. The unorganised sectors, howsoever, as active as organised have little or no legal presence. The unorganised sector is not studied or recorded as the organised but contributes equally to the Indian apparel exports. Characteristically, the methods of production and work organisation in the garment-manufacturing sector 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.

Study of various such unorganised, unregistered units gives an insight on true working conditions. While there are few units, which are involved in sewing garments, most units are engaged in embroidery and handwork, button stitching, thread cutting, etc.

The gestalt view of the garment-manufacturing sector in Bangalore shows mainly women workers, and that is also reflected in the sub-contracting units where the study found 94% women workers. Children were often found working with their family members in these sub-contracting units, and the majority of them being girls. It has been found from the study that working hours at these units are often beyond the standard 8 hours, running into 8-13 hours, with the workers earning on an average between US\$ 2–3 per day, with children getting less than the adults for the same work.

28 children were found at the sub-contracting unit, with the majority below 14 years of age. There was a clear gender skew towards girls, for every one boy working there were 5 girls working in these sub-contracting units. Interestingly, in most cases, the parent mainly the mother of the child and the child had the same work profile. Although the piece rate was the same for child and adult workers, the daily rate for the children was half of the daily rate for an adult.

It has been observed that quality norms are usually enforced through rejections, which can vary from extra work, deduction from wages to penalties. While the quality standards are rigorously enforced right down the outsourcing or sub-contracting chain, not much attention is paid to the compliance of labour standards down the chains.

Though the faces of exploitations in the sector had gone under a constant change, but, even today the various forms of exploitations are evident. Despite the best intentions and diligent actions by global supply chain actors and corporations, in some industries they run a significant risk of being caught up in the child labour problem. Elimination of child labour additionally is not just an economic development issue, rather has nuances of cultural values and attitudes of the global supply chain actors, corporations, customers, communities, and the governments. Organisations need to realistically understand the drivers behind the potential use of child labour and the solutions to address the problem.

Global supply chains that persist with the exploitation of slavery and child labour are effectively diseased and natural forces can and should be unleashed through standardisation, collaboration and communication that work to ensure healing and protection for parts of the system vulnerable to such malaise.

Recommendations

Government

- Ensure the enforcement of the child labour laws including effective remediation and rehabilitation of child labourers.
- Promote communication, coordination and collaboration between various government departments and law enforcement agencies for “child friendly” policies, programmes and action.
- The Right to Education Act 2009 should be enforced efficiently and rigorously throughout the country to ensure free and compulsory education to all children up to 14 years of age.
- Ensure the registration of an establishment under relevant legislation.
- Labour inspectoral mechanism should be strengthened through enhanced capacity building towards effective monitoring and understanding of the changing faces of slavery and exploitation.
- Labour inspections and relevant law enforcement agencies should regularly inspect sub-contracting units to detect violations, protect the rights of the workers including migrant workers.
- The penalty under various labour laws should be enhanced to be a realistic one in order to have a deterrent effect on the delinquent employers.

Corporations (supply/production chain)

- Supply/production chains vulnerabilities on account of exploitation of child labour and violations of other labour standards should be identified through diligent systems, and corrected.
- Ensure the implementation of company codes of conduct, and other ethical standards and norms throughout the supply/production chain.
- Clear policies, procedures and responsibilities should be established for identification, withdrawal and remediation of child labour from the supply/production chains.
- The drivers of child labour and labour exploitation in outsourcing and sub-contracting units should be identified and remedied.
- Invisible links of the supply/production chain should be identified and trained on labour standards, child labour and ethical practices.
- Awareness, training and capacity building of the supply/production chain should be carried out on labour standards, elimination of child labour and ethical practices.
- Greater engagement, collaboration and communication among all stakeholders in the supply/production chain, including the workers and their families on child labour and decent work standards.

Trade Unions

- Trade unions should have a wider perspective in discouraging child labour as a violation of decent work standards.
- Trade unions should focus on promotion of organised workforce, including the migrant workers.
- Workers education and awareness on decent work standards should be undertaken in outsourcing and sub-contracting units as well.
- Workers are the backbone of any monitoring mechanism, and the trade unions should focus on effective workplace monitoring through workers.

Civil society

- Community groups, non-government organisations, teachers organisations should focus on fostering an enabling environment that addresses the drivers of child labour.
- Support the development of knowledge tools and programmes for child labour elimination, protection of workers including the special needs of the migrant workers, trafficking for forced labour, etc.
- Support in public awareness and positive policy change in favour of child and education rights.
- Ethical consumerism should be promoted by civil society organisations.
- Civil society organisations should craft a culture of communication, collaboration and engagement with different stakeholders (between civil society, civil society and government, civil society and industry, etc.) to end child labour and other labour violations.
- Training and development of stakeholders, including industry stakeholders should be undertaken to bridge the capacity gap.

Part I

WHAT
IS THIS
ALL ABOUT?

I.1 About Global March

The Global March Against Child Labour is a worldwide coalition of trade unions, civil society and teachers' organisations working to build and strengthen global efforts to protect and promote the rights of all children, especially freedom from economic exploitation and from performing any work that is likely to be harmful to their physical, mental, spiritual, moral or social development, and right to receive a free, meaningful and good quality education.

The Global March began its journey to raise awareness of the prevalence of child labour through a physical march launched in Manila, Philippines, on 17 January 1998. The torch was taken up by organisations in over 100 countries in all continents and the march travelled 80,000 kilometres across the globe before arriving in Geneva, Switzerland, in June 1998. At that time, the annual conference of the International Labour Organization (ILO) initiated discussions on what was to become the ILO Convention No. 182 on eliminating the Worst Forms of Child Labour as a priority for the international community.

The march marked a turning point in the fight against child labour, bringing together like-minded organisations, institutions and individuals in a worldwide network to sustain efforts in their countries to raise public awareness, support positive policy changes, foster partnerships and enhance knowledge to help reduce the exploitation of children. Since 1998, the Global March and its partners have focused on promoting universal ratification and implementation on ILO Convention No. 182 and 138 on the Minimum Age of Employment, which sets the benchmark for the elimination of all forms of child labour, as well as the application of the United Nations Convention on the Rights of the Child (UNCRC) and the UN Millennium Development Goals (MDG) and other international instruments and commitments related to the protection of children.

A cornerstone of the Global March's work is advocating at all levels for policy changes and coherence between the elimination of child labour, education, social protection and poverty alleviation, including through promotion of decent work. Global March was one of the civil society members of the Consultative Group for the 2010 Global Conference on Child Labour that drafted the "Roadmap for Achieving the Elimination of the Worst Forms of Child Labour by 2016" (Roadmap 2016), aimed to build on the knowledge and experience of all those involved in the fight against child labour and to provide strategic direction for the way forwards.

I.2 Garment-manufacturing sector

Garments are one of the fastest moving consumer products in the world. In addition, the garment manufacturing supply chain in many countries, particularly in the Asian region where it is concentrated, is characterised by its diverse, geographically widespread and often complex and complicated nature. A significant amount of its processes are situated in the informal sector which exposes supply chains to widespread abuse in terms of violations of core labour standards, including child labour.

Because clothes are an integral part of the daily lives of all people around the world, it is also an industrial sector that has inevitably been placed under the spotlight over the last few decades with the growth of ethical trade and consumer movements and the corporate social responsibility (CSR) policies and practices of business involved in all aspects of the sector, from the agricultural production of raw materials, particularly cotton, to processing, finishing and retail.

This close attention to the application of core labour standards in the garment sector has also seen the emergence of a range of important international social and business compliance initiatives, such as the Clean Clothes Campaign, the Ethical Trade Initiative, Social Accountability International, the Business Social

Compliance Initiative, and many others. In addition, inter-governmental and multi-stakeholder initiatives, often involving the ILO and sometimes other UN agencies such as UNICEF, have been launched to identify ways to support the application and enforcement of core labour standards in the garment sector, looking at opening supply chains to greater scrutiny, introducing codes of conduct, building the capacities of labour and factory inspectorates and child protection agencies, and so on.

Over the last number of years, multinational companies, particularly retailers, and national manufacturing enterprises, have introduced a wide range of CSR initiatives aimed at improving social compliance and monitoring work places and processes. These processes are in addition to state labour and factory inspection systems and are usually anchored in company-based codes of conduct. Entire CSR and social compliance departments have emerged over time, indicating the importance that many businesses attach to respect for core labour standards.

Global Framework Agreements have been negotiated and signed between multinational companies and Global Union Federations (GUFs), particularly the International Textile, Garment and Leather Workers' Federation (ITGLWF) and Union Network International (UNI) which represent workers in the manufacturing and retail sectors. These agreements include clear commitments by companies to upholding the application and enforcement of core labour standards in supply chains and highlighting the important role of trade unions in promoting decent working conditions for adult workers. National trade unions have a key role to play in promoting and defending working conditions and supporting efforts to eliminate child and forced labour within the garment-manufacturing sector.

A significant number of civil society campaigns have also been conducted over the years, often focusing on major events, such as the Olympic Games and the Football World Cup, when there would be increased activity in garment manufacturing and therefore increased vulnerability of many workers and children involved in this sector. Efforts have been made to apply social compliance or fair trade labelling schemes to the production of garments so that consumers can make informed purchasing decisions.

Further trade-related issues have emerged in more recent years linked to consumer concerns and to global commitment to rights at work and children's rights that have accelerated efforts to tackle core labour standards in this and other industrial sectors. Clearly, the main objective is to support the establishment of a clean garment supply chain in every country concerned, free of all forms of violations of fundamental rights and ensuring the application of decent work standards for all workers. This key objective is largely shared by the various stakeholder groups referred to above. However, the challenges in achieving this goal are considerable and are not only linked to problems relating to the garment industry itself, but are related to a wider range of development issues, including education, health, poverty alleviation and social justice. It is therefore vital that the policies, programmes and activities of the stakeholder groups inter-relate to ensure more coherent, meaningful, inclusive and sustainable outcomes.

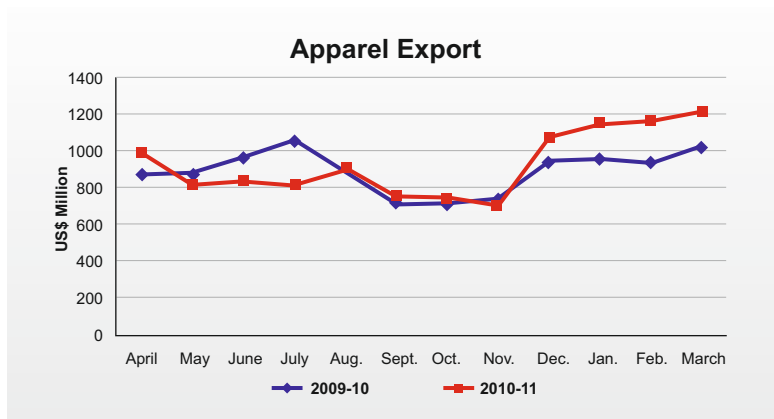
I.3 Garment-manufacturing sector in India

The Indian textiles industry contributes substantially to India's exports earnings. The export basket consists of wide range of items containing cotton yarn and fabrics, man-made yarn and fabrics, wool and silk fabrics, made-ups and variety of garments. The manufacture of garments for export is spread all over the country but mostly concentrated in urban centres. The major garment clusters in India according to the Apparel Export Promotion Council (AEPC), are Delhi (National Capital Region), Tirupur, Bangalore, Mumbai, Kolkata, Ludhiana, Ahmedabad, Jaipur, etc. which account for 95% of India's textile products, including handlooms and handicrafts, are exported to more than a hundred countries.

In 2008, garment industry accounted for 43% of India's total Textile and Clothing export earnings with exports

worth US \$ 9.7 billion. USA was the second largest export market for Indian garments, accounting for 28% of India's total garment export value. EU27 was the major export market for Indian garments accounting for 47% of the export value. UK was the key export destination in EU27 accounting for 12.3% of India's total garment export value. Japan accounted for only 1% of India's total garment export value. India's major RMG export destinations are USA, UK, Germany, France, UAE, Italy, Netherlands, Spain, Canada and Saudi Arabia. In 2008, USA, Germany, and France collectively accounted for 50% of India's Readymade Garment (RMG) exports. (Aziz 2010)

According to the AEPC, India is the world's second largest producer of textile and garments, India's garments exports totalled US\$ 11.16 billion during 2010-11. The Americas EU, much of Asia and Middle East are India's clients.



According to the AEPC, the industry supports 7 million people as a part of its workforce, and aims to double this figure by 2011-12; even today it is the second largest provider of employment in the country. For every \$ 2000 invested in the industry, an average of 7 additional jobs created. The Apparel sector also contributes to 7% of India's total exports recording decline of 0.35% in 2009-10 against 2008-09 due to global downturn.

The phasing out of the Multi Fibre Agreement (MFA) in 2005 was a great opportunity for small factories to increase garment production for exports. Barely five years after the expiry of the MFA the market had grown beyond \$800 billion from the expected target of about \$600 bn by the year 2010. In fact, as the market became highly competitive, only factories that could produce at the lowest cost survived; many were forced to close shops. Thus, stiff competition was inevitable among different factories in the country and also among the countries themselves that were able to produce garments at a much lower cost than India. However, deployment of child labour, payment of wages below minimum wages etc. are still prevalent as traditional cost reduction strategies of production.

Manufacturers in the Indian apparel industry can be broadly classified into large scale, medium scale and small-scale units. The Indian domestic market constitutes 55% of apparel and 45% of textile sector (Confederation of Indian Textile Industry, CITI). 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. Delhi, Mumbai, Bangalore, Chennai and Tirupur/Coimbatore are five different garment production hubs in India, all specialising in different types of garment production.

Despite huge market value and global recognition Indian garment sectors' major players subcontract various processes in the production line. The subcontracting units are located usually outside the premises of the related establishment in a cluster or within a certain areas.

Both the formal and informal (unorganised) sectors are meshed in the garment-manufacturing sector. The orders that are received by the organised vendors are often partially, in some cases fully executed through the

unorganised subcontractors. The multi-national corporations (brands and retailers) source from formal factories, which in turn precipitate the participation of a cascading network of sub-contracting units involving small jobbers, home-workers and even sweatshops that perform a range of work. A finished garment may come up many levels of handling, sometimes even five or six, before it reached the order initiator. Irrespective of its contribution, the unorganised sector is not recognised. And thus, this sector remained unstudied beyond all boundaries of compliance, norms and other legal standards.

I.4 Bangalore: Garment City of India

Bangalore is one of the most organised apparel clusters in India driving its strength from a very strong outsourcing model and closeness to the source of raw materials. The growth in the cluster since last 2-3 years has been mainly in the form of increasing job workers (sub-contracting unit workers). In fact, it can be said that the job workers form the core of Bangalore garment-manufacturing sector providing important services. Bangalore is one of the largest clusters in the country with annual turnover of almost US\$1 billion (a 30% increase over previous year). Estimates indicate 15-20% of India's garment exports originate from Bangalore. It is one of the main centres in India where, retail activity has picked up pace. The buoyant domestic market in India is also a strong contributor to its growth.

Work Place-

*The place where **products are assembled or made**. It can be large establishments like factories or even a **smaller unit** like unorganised units or even sweatshops.*

The cluster manufactures products, which are mainly cotton based (70% of the total produce). This has made the clusters more vulnerable to volatility in the cotton prices. With over 75% of the products is gents wear (of which 95% is shirts, trousers and denims), the cluster has specialised in the production of daily wear products.

As per estimates of Department of Industries and Commerce (DIC), as on today there are 850 registered ready-made garment units in Bangalore. Out of these 250 are embroidery units and 400-500 are job working units and Freight-On-Board (FOB) players. These units cater both to domestic as well as export market. The small firms employ about 25 workers and giant ones employ more than 2000 workers. The direct and indirect employment in RMG Cluster sector is around 450,000. The direct employment at the same time in the clusters is around 150,000. Hence, the production organisation in Bangalore includes wide variety of subcontracting or outsourcing relationships between firms and these tiny units/ sweatshops.

Job Work:

*The processes **performed out side** are called "Job Work". In an industrial setting, when an industry is **unable to carry out all the process** related to manufacturing in its premises, it gives that work, (mostly in part/piece) **to be completed**, to other **smaller units**.*

In addition to manufacturing several Indian brands of garments for domestic market and for exports, most of the internationally well-known brands of garments are also manufactured in Bangalore. Of late, Bangalore has been creating ripples in the fashion world with world-class designers creating designer clothes for the Indian and world markets. The well renowned names in the designing world like National Institute of Fashion Technology (NIFT) is located in Bangalore providing world-class human resources for the apparel industry.

The Karnataka Government is encouraging the garment industry by setting up an apparel park in Bangalore for high fashion, value added garment exports. The Karnataka Industrial Area Development Board has acquired 187-acre plot to develop the Park at a cost of US\$10 million. The major garment giants like Raymond's Denim group, Gokaldas Images Pvt. Ltd., Mudra Fabrics have also chipped in by contributing to the development. In all 27 garment-manufacturing firms are committed to invest US\$28 million in the project.

I.5 Labour situation in garment-manufacturing sector in India

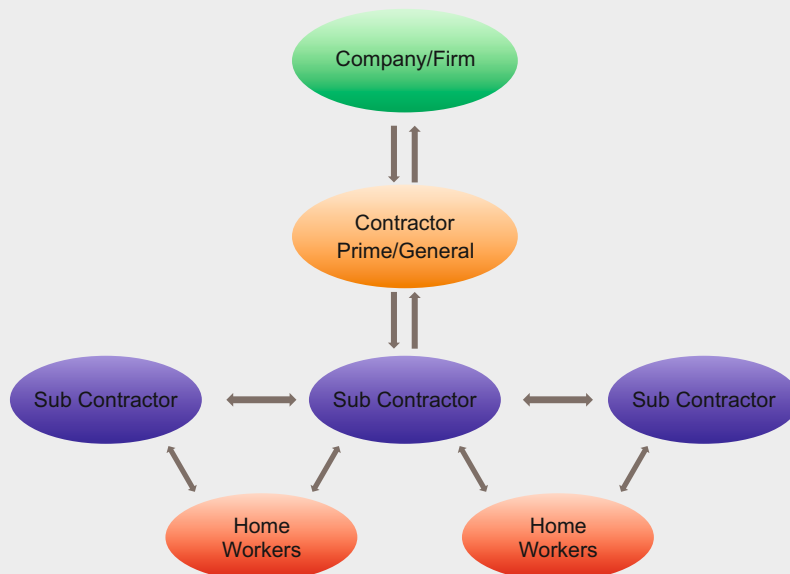
The shift in the location/work place and production line has been expedited since the beginning of 21st century. As a result, both negative and positive changes have been observed.

While the developing countries started getting more opportunities to participate in the labour intensive portion of the production process, this increased participation in the production in these developing countries did not help in improving the economic condition of the workers. Most of the works has been delegated/subcontracted to the smaller unorganised units or home based units on contract basis.

Sub Contracting/Outsourcing:

*The practice of **assigning part** of the **obligations and tasks** under a **contract** to **another party, which is either an outside, or inside entity**. It is mostly prevalent in areas where **complex projects** are the norms. Most of the subcontracting units perform job work, which a factory or an establishment is not capable of doing.*

*The sub contracting can be both **legal** (written as a part of contract) and **illegal** (orally or without the knowledge of authorities/superiors). Even the work can be delegated **horizontally** as well as **vertically** while subcontracting*



The production process has been decentralised with a wide range of activities being sub-contracted to small firms and home-based works popularly known as sweatshops, in an attempt to increase profits and marketability.

Firms are being pushed into outsourcing or sub-contracting because of increasing economic costs and heavy competition, and to circumvent labour legislation.

Why outsourcing?

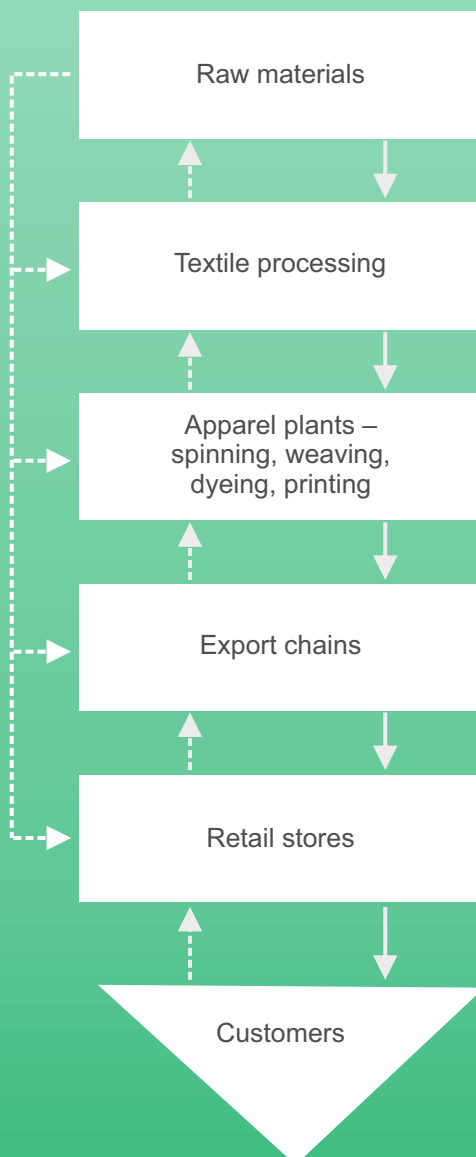
- Manufacturers can focus on sale and brand promotion of their product,
- Easy escape for the manufacturers from their liabilities towards these unorganised units.

A bird's eye view of the garment-manufacturing sector in Bangalore would convince any one that though there is a law prohibiting the employment of children below the age of 18, an overwhelming majority of the workers in the sector are young and unmarried girls. The women workers constitute 72% of the total work force with a significant proportion working in the sub contracting units. These female workers are mostly from poorer families with adverse social and economic conditions and are hence vulnerable to various forms of harassment including sexual harassment and trafficking. The industry appears to have become a destination as well as a conduit for exploitation of these workers mainly the child labourers.

Women workers (mainly girls below 18 years) are employed in large numbers in the exporting units involving them in stitching, folding, checking and packaging jobs. In particular knitting, embroidery and checking work employees large number of minor girls. Unofficial figure shows that there are more than 1000 garment-manufacturing factories and the industry gives employment to more than 600,000 of people, 80% of which are women and girls. However, the Factories Directorate limits the figure to 140,198 employees of whom 95,762, i.e., nearly 70 %, are female workers. The workers are mainly from the southern states, namely Tamil Nadu and Andhra Pradesh, as well from other districts of Karnataka.

Sweatshop-

*A work place where workers are subjected to **extreme exploitation**, including the absence of a living wage or benefit, poor working conditions and arbitrary discipline, such as verbal and physical abuse. The types of jobs that workers receive are so bad that they **rarely improve their economic situation**.*

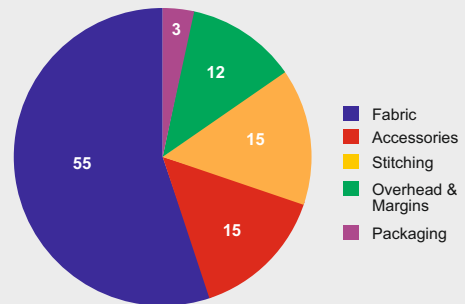


Garment supply chain



The various departments in the factory are production, merchandising & exports, finance and human resource. Production department is segmented in several parts such as knitting, finishing, packing, thread-cutting, washing, stitching, buttoning, processing, printing dyeing and colouring and so on. The processes like pressing and thread cutting units are carried out in the factory. Dyeing and printing, specialized finishing process, hand and machine embroidery, etc. are mostly outsourced because they required special set of skill, machinery or process. Sub-contracting is mainly associated with printing and embroidery requirements, and the task is often considered to be carried out by unorganized (home-based) workers. These specialized units are located in the nearby by localities in a cluster or a village. According to the study, most of the work is brought to them by the agent or the middleman who is not necessarily an employee of the establishment. (source: AEPC, 2009)

**Proportion of Cost of Production (%)
Garment Sector in Bangalore**



Agent – It may refer to one who acts for, or in the place of, another, by authority from him.

Middleman- Any independent trader engaged in the distribution of goods from producer to consumer

As seen from this study, besides bringing work to the units, agents also perform quality checks and make payments. The payment is made on the per piece or piece rate basis only after carrying out the quality check. However, even a small defect can invite penalty on the workers in the form of non-payment or deductions from wages.

Piece Rate- In layman's term, piece rate is **payment by result**. It is advantageous for a company as it helps to guarantee the cost per unit produced.

So, in other words, piece rate is a **wage determination system** in which employee is paid for each **unit of production** (the output of piece work to be measured by the number of physical items produced) at a **fixed rate**.

Long working hours, untimely wages, filthy working conditions, openly stored hazardous chemicals, verbal and physical abuse, etc. are quite common. Though child labour is not prevalent in all processes but it is not uncommon to spot young workers in handwork, finishing, packing and other activities. However, the problems of forced labour, child labour, migrant workers, suppressed women workers, high margin of sub contractors and poor wage rate (non payment of minimum wages, delayed payments, etc), filthy and unhealthy working environment, etc are rampant in these units.

I.6 Child Labour in Garment Manufacturing

It has always been reported that the Southern Indian garment sector is much more organised with better social and labour standards than the northern regions. The cases of child labour and forced labour that have been uncovered by the various agencies in the past have been predominantly focused on the child labour in the sweatshops in the North. It is important to understand the dynamics of sub-contracting and the case of child labour in the handwork sector in South India, particularly the garment hubs in Bangalore and

neighbouring area. It is also imperative that there is information on the various interventions by key agencies like the government, trade unions, NGOs, UN agencies, etc. that have been initiated to address sub-contracting in the target areas.

Over the years, there has been a shift in the nature of the garment-manufacturing units that employ child labour. 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. Child labour is also found in the sub-contracting units of the garment exporters. A number of garment exporters sub-contract orders to other smaller units, which do not adhere to the minimum labour. One of the most controversial industries that thrive 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.

***Child Labour:** is any work that deprives children of their childhood, their potential and their dignity, and that is harmful to their health or to their physical, mental, or social development.*

According to Human Rights Watch Survey (2003), held in Karnataka, Kanchipuram and Varanasi, average working hours for a worker is more than 12 hours. The report also mentioned that children were employed in large numbers in these units. Almost all the children belonged to Scheduled Cast/Scheduled Tribe community or were from minority community. These children were engaged directly in production process on hired basis and were found working with the families. It was also noticed that these children were bonded and employed as helper where they were forced to work almost 7 days a week. There were frequent cases of physical assault by the employers and verbal and other forms of harassment by co-workers.

I.7 Policy and legal overview

I.7.1 Policy Overview

India's textiles and clothing industry has great potential as the growth pattern indicates towards its spread and, even a larger share of the world market in the coming era. It is one of the mainstays of national economy. With consistent growth performance, abundant cheap skilled manpower and growing domestic demand there are enormous opportunities for domestic and foreign investors to profit from investments in the Indian textile sector. Indeed, India allows 100 per cent FDI under the automatic route in the textile industry, which makes it a promising destination for investments.

The Government of India has constituted a Cotton Yarn Advisory Board (CYAB) in 2010, to advise the government on matters of production, consumption and availability of different types of cotton yarn and provide a common platform for spinners, weavers, Textiles Research Associations, the Government and to prepare a Cotton Yarn Balance Sheet.

The government announced Rs 30 billion funding to NABARD in order to provide support to financially unviable handloom weavers with huge debt burdens for their survival. Moreover, the financial support from NABARD could help the revival of unorganized players in the handloom industry and evade mass unemployment in the sector. The surcharge on domestic companies reduced to 5% from 7.5% and basic customs duty on nylon yarn and nylon fibre reduced from 10% to 7.5%. The basic customs duty has been reduced from 30% to 5 % on raw silk, from 5% to 2.5 % on certain textile intermediates and from 7.5% to 5 % on certain inputs for manufacture of technical fibre and yarn. The lower surcharge could have a positive impact, albeit nominal, on the profits of the smaller players in the sector.

I.7.2 Legislative Framework

The government of India and state of Karnataka have enacted legislations that protect the workers and promote their rights. The legislations are rigorous however, the implementation of these through the state labour inspectorate systems need to be strengthened. The lack of capacity and knowledge among the labour inspectorate is compounded by corruption and poor accountability. Some of the pertinent legislations relating to workers rights, and with implications for the child labourers are as below:

- (1) **Child Labour Act-** The Child Labour Act also known as **Child Labour (Prohibition and Regulation) Act 1986**, constructed a list of hazardous activities for children; banned the employment of children under 15 years of age; established the conditions under which children over 15 may work; and set out penalties for the violation of any of the above conditions. It further stipulates that no child is allowed to work between 7 p.m. to 8 a.m. and during the daytime, no more than three hours without a break. It also establishes the means through which any labour inspector, law enforcement official, or civilian may lodge a complaint against a workplace with the appropriate magistrate; however, the labour inspectorate is implementing authority. While the act allows individual states to appoint specialized labour inspectors for its application, most states have assigned this task into the existing ranks of inspectors.

Child Labour (Prohibition and Regulation) (Karnataka), 1998- The act states that no child shall be required or allowed to work in an establishment for more than 20 hours in any week and for more than five hours in a day. It also lays rules for health and safety of the children in the establishment.

- (2) **Juvenile Justice (Care and Protection) Act, 2000:** The Act defines child as a person who has not attained the age of 18 years, and lays provisions for the care and protection of children below 18 years. Section 26 of the Act states, 'whoever ostensibly procures a juvenile or the child for the purpose of any hazardous employment keeps him in bondage and withholds his earnings or uses such earnings for his own purposes shall be punishable with imprisonment for a term which may extend to three years and shall be liable to fine'. Further, section 23 provides punishment for cruelty to juvenile or child. Offences under Section 23 and 26 are cognizable and the police have the authority to take corrective action.
- (3) **Forced/Bonded labour law-** The provisions in **The Bonded Labour System Abolition Act, 1976**, 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 throughout the country. The factory violates the law by not allowing the workers to move freely but it is often done in respect to the workers security as the girls are of young age and the parent's request for the security and restriction on movement.

1. The Supreme Court of India in People's Union Democratic Rights (PUDR) vs. Union of India (1983) ruled "...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 a result of such 'force', it would be 'forced labour'..."

It further says,

"...Where a person provides labour or services to another for remuneration which is less than minimum wage, the labour or service provided by him clearly falls within the scope and the ambit of the word 'forced labour'...as described in Article 23 of the Indian Constitution."

2. Bandhua Mukti Morcha vs. Union of India (1982):

“...Whenever it is shown that a labour is made to provide forced labour, the court would raise a presumption that he is required to do so in consideration of an advance or other economic considerations received by him and is, therefore, a bonded labour...”

- (4) **Minimum wages law and rates for Karnataka- The Minimum Wages Act, 1940** has provision to ensure payment of minimum wage and overtime. Besides that, the present minimum wages for the state of Karnataka for Tailoring (Garment) Industry, as per the notification no. KAE 69 LMW 2009, which stipulates a minimum daily rate of Rs. 157 for unskilled worker in tailoring industry in Zone 1 (Bangalore City Agglomeration Area).
- (5) **Factories Act- The Factories Act, 1948** defines a factory as a unit where ten or more workers labour with power or 20 or more labour without power, and establishes minimal protections for all persons working within these facilities. Section 85 of the Act empowers the state government to apply the provisions of the Act to any place carrying out manufacturing process with or without the aid of power even if it employs at least ten workers. The protections encompassed by the law are broad in the sense that they apply to any worker, including contracted workers, on the premises, but they are limited in application by not including small-scale workplaces and by requiring that offences be reported only by a labour inspector and not by the police or another authority. The Chief Inspector of Labour Department is the implementing authority.

According to the Factories Act, a child below 14 years of age is not allowed to work in any factory. An adolescent between 15 and 18 years can be employed in a factory only if he obtains a certificate of fitness from an authorized medical doctor. A child between 14 and 18 years of age cannot be employed for more than four and a half hours.

- (6) **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 workers by any unregistered unit. The very fact that most of the establishments are unregistered violates the law. A large number of the garment workers are women from different states of India and none of them are recorded as migrant workers, nor are their working children covered. Additionally, a child who is recruited by or through a contractor/middleman/trafficker in one state to work in an establishment in another state is reported.
- (7) **Unorganised Workers' Social Security Act, 2008-** The act defines home based workers as a person engaged in production of goods or services for an employer in his or her home or other premises of his or her choice other than the work place of the employer, for remuneration, irrespective of whether or not the employer provides the equipment, materials or other inputs. According to the law, an enterprise which is not an unorganised sector is considered as organised sectors whereas an enterprise owned by an individuals or self-employed workers and engaged in the production or sale of goods or providing service of any kind whatsoever, and where the enterprise employs workers, the number of workers is less than ten. However, the unorganised worker means a home-based worker, self-employed worker or a wage worker in the unorganised sector and it includes a worker in the organised worker who is not covered by any of the Acts mentioned in Schedule II to this Act.

The act states that Central and respective State Governments are responsible for making and implementing welfare schemes for unorganised workers on matters of life and disability cover, health and maternity benefits, etc. The act also provides, under Sec. 5 and 6, for National/State Security Boards for formulating, monitoring and reviewing the schemes.

As per Sec. 10 (1) every unorganised worker shall be eligible for registration if (s)he has completed 14 years of age and gave a self-declaration that (s)he is an unorganised worker. The workers so registered are entitled to have an identity card by the District Administration.

- 9) **Karnataka Shop and Establishment Act, 1961**- This act states that no child below the age of 14 years shall be required or allowed to work whether as employee or otherwise in any shop and establishment in the state territory of Karnataka. It further states that no child (less than 14 years) or young person (between 15 and 18 years of age) be allowed to work more than 6 hours a day and is also prohibited from working at the night.
- 10) **Right of Children to Free and Compulsory Education Act, 2009**: The act guarantees the Fundamental Right to 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, for the underage children, i.e., below 14 years of working at these units, this fundamental right is violated.
- 11) **Indian Penal Code** – Various sections of the Indian Penal Code for protection of children and their rights.

I.8 Ethical trade and corporate social responsibility (CSR)

I.8.1 Ethical trade and CSR

Ethical sourcing or ethical trading means that retailers, brands and their suppliers take responsibility for improving the working conditions of the people who make the products they sell. Supplier companies around the world employ most of these workers; many of them based in poor countries where laws designed to protect workers' rights are inadequate or not enforced. Various apparel and non-apparel retailers and brands, joined the group "Ethical Trading Initiative" to research, map and tackle various problems of industry. Also organizations like "Labour behind the label" and "Clean Clothes" were supported in order to look at prospects of ethical trading.

Different brands on their individual level have tried to clean up their supply chain by the means of auditing and monitoring. Though these initiatives, might not clean up the entire supply chain, they have still managed to bring reform to the industry, and are continuing to do so.

Ethical Trade means that **retailers, brands and their suppliers** take **responsibility for improving the working conditions** of the people who make the products they sell and **work together to tackle the many questions** about what steps companies should take to trade ethically, and to make a positive difference to workers' lives.

Supplier companies around the world employ most of these workers; many of them based in poor countries where laws designed to protect workers' rights are inadequate or not enforced. Such companies typically responded by adopting a code of practice setting out minimum labour standards that they expect their suppliers to comply with.

Corporate Social Responsibility is basically a concept whereby companies decide voluntarily to contribute to a better society and a cleaner environment. It is represented in a better way by the contributions undertaken by companies to society through its business activities and its social investment. This is also to connect the Concept of sustainable development to the company's level.

Corporate Social Responsibility (CSR) in India is in a very nascent stage. In the informal sector of the Indian economy, which contributes to almost the half of the GNP and where approximately 93% of the Indian workforce is employed, the application of CSR is rare. On the contrary, the fight against poverty, the development of education, as well as the conservation of the environment are not existent in most of the Indian enterprises.

Different brands on their individual level have tried to clean up their supply chain by the means of auditing and monitoring. Though these initiatives, might not clean up the entire supply chain, they have still managed to bring reform to the industry, and are continuing to do so.

1.8.2 Corporate Codes of Conduct and Social Compliance

Though codes of conduct are more like setting up bases for factory social auditing, with a set of laws to be adhered by a vendor or a factory, it is more of the vendor's responsibility to comply with the code of conduct. Various organizations, encouraged by brands and retailers, like Worldwide Responsible Accredited Production (WRAP) or Fair Labour Organization (FLO) or SA8000, which research and have come up with different accreditation for various factories depending upon the state and nature of operation. These organizations, similar to various brands have come up with code of conduct for factories in order to achieve the accreditations, making them at par with social auditing of brands. As most of the accreditations are commonly accepted by most of the brands, a factory, which follows it, gets a general acceptance by most of the brands.

Most of the code of conduct is for labour conditions in the factory, looking at evidences of fair wage, age proof, etc. Not many codes look into the problem of sub-contraction. Though the code is to ensure that the sub-contractor also follows the norms laid but there is no mapping and accreditation for the sub-contractor.

One of the approaches that companies instantly react with is social auditing. As there were cases of child labour, brands came up with more stringent auditing, pressurising vendor to clean his/her supply chain and to be responsible in sub-contraction of his/her work.

Social auditing refers to inspections, and monitoring of the vendors in order to ensure there are no violations of labour law codes established by the company. Social auditing also includes making factory responsible for the sub-contraction, making them choose the sub-contractors on the basis of the compliance codes followed. Social auditing is a method to ensure that any vendor, big or small, does not break codes of conduct set by the state, and takes responsibility for further sub-contraction.

Some brands being more stringent than others with largely followed social code of compliance. A lot of newer and smaller brands rely on their buying agents or the third party auditing. Most of these audits refer to one or more than one inspection of each vendor and factory the brand works with, going over all documents related to work hour, wages, worker's profile, factory up keep and sub-contraction. Also these inspection look into general aspects, looking at the factory, asking questions and analysing.

What is crucial with various brands is that once a factory or a vendor fails to comply with the codes stated, most of the brands blacklist the factory and move to a next one. There are no efforts to get the factory follow compliance, or to look into economic problems that factory would face while complying. Also in most cases lack of regular training and inspections have led to duplicate, and fake statements and accounts by vendors, as cover-up mechanism.

Social Audit- Social Audit is an instrument **of social accountability** for an organisation with which **government** departments **can plan, manage and measure non-financial activities** and monitor both **internal and external consequences** of the departments'/organisation's **social and commercial operations**. In other words, it is as an **in depth scrutiny and analysis** of the working of any public utility vis-à-vis its **social relevance**.

*It is a means for **social engagement, transparency and communication of information**, leading to greater **accountability** of decision - makers, representatives, managers and officials.*

Common compliance code demands on child labour:

- Proof of Age Documentation / Other Means of Age verification
- Governments Permits and Parental Consent Documentation
- Employment of Young Workers (those between the minimum working age and the age of 18 years)
- Hazardous work for Young Workers
- Young Worker Identification System
- Apprenticeships and Vocational Training / Minimum Working Age
- Policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.

Part II

HOW WAS THIS STUDY DONE?

The Southern Indian garment sector better organised than its northern counterparts, it is believed. Media reports of child labour have mainly focused in the sweatshops in North India. This study is an attempt at understanding the extent of exploitation in the garment industry and the linkages between the sub-contracting and the presence of child labour in these units through personal interaction with the workers, child labourers and sub-contractors, collecting the necessary data from them, analysing the data to reach statistically significant conclusions and compiling a report that may help in the initiation of industry, legislative, executive, voluntary and media action to prevent further exploitation in the sub-contracting units.

II.1 Needs and Expectations

In the recent past, an interesting trend of sub-contracting emerged very fast in Bangalore. Sub-contracting is a regular feature not only among manufacturers for domestic brand owners but also for those who do manufacturing for exporters which supposedly employ under aged labourers i.e., children in large numbers.

II.2 Research questions

Sub contraction is a regular phenomenon in the garment sector with hiring of workers from unorganised units in near by clusters or villages. The sweatshops performing the tasks are found to be in worse conditions they do not come under any legal purview. The nature of exploitation could be more severe and inhuman in these sub-contracting units. Hence, this research tries to find the answers of following questions-

- i) Is subcontracting in certain production processes a regular phenomenon in the study area?
- ii) Is there any child labour employed in these processes in the sub-contracting units?

II.3 Research Objectives

While the need of sub-contraction arises mainly because of the demand of low prices, on contrary, in several cases sub-contraction happens due to the need of specializations. Though, in most of the cases sub contracting is done when the general contractor does not have the time and skills to perform certain task. Keeping all these factors in mind this research study was conducted-

- To understand the nature and process of sub-contracting in the garment handwork sector in Bangalore and neighbouring areas.
- To establish the chain of sub-contracting in the garment handwork sector in Bangalore and neighbouring areas.
- To conduct an investigation to the presence and condition of child and young workers and forced labour in the sub-contracted garment handwork units in Bangalore and neighbouring areas.

II.4 Research location

After the abolition of MFA, the regions well known for garment production experienced a regional relocation. As a result, mushrooming of garment manufacturing factories in the south is potent evidence to the shifting phenomena. In this process, Bangalore has been renamed as Garment City of India from Garden City of India as it became hub of garment manufacturing. Manufacturing of garments is mostly carried out in the establishments or in subcontracting units. These sub-contracting units are located in Bangalore city making it the prime location for the research study.

II.5 Methodology

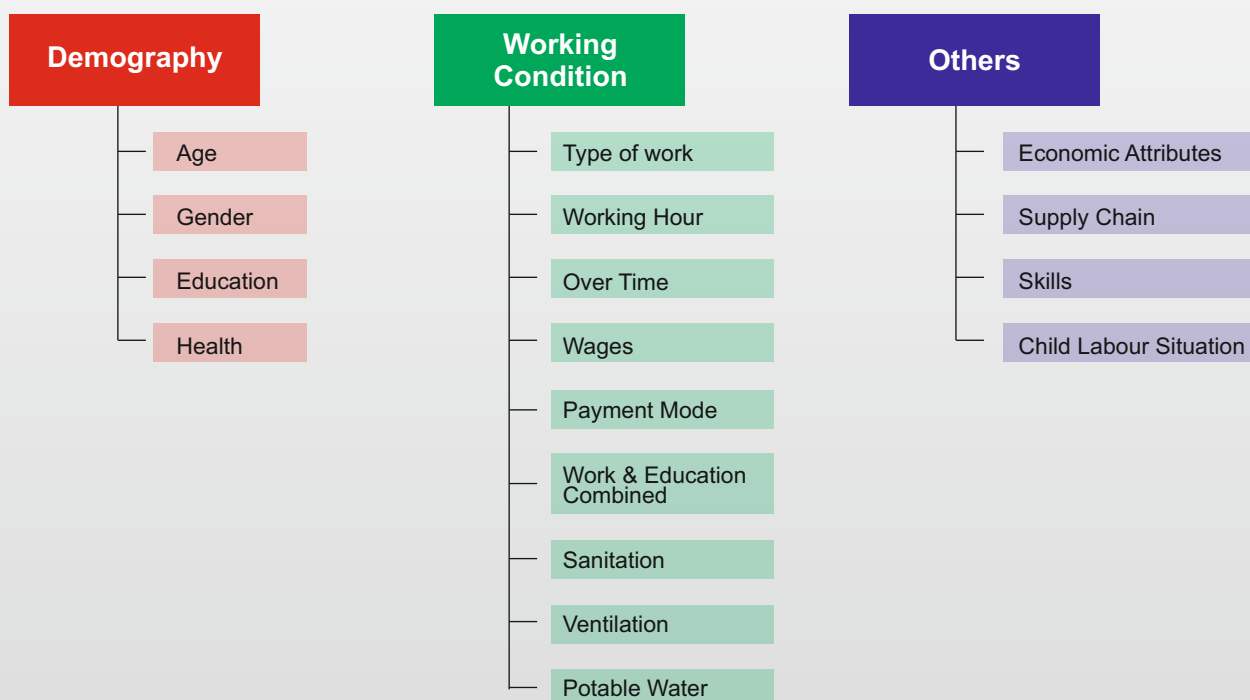
Sampling is one of the various methods applied and used for different kind of surveys. Under this method only selected members of the population/universe are tested/questioned. Hence, sampling has ability to gather information from a relatively small number of members of large population and actually generalize the result to the entire population. It also gives precision about certain issues or events. It enables the researcher to calculate statistics that indicate the precision of the data. However, the detail of information that can be asked in a sample is greater. This research study uses two type of sampling.

First is **Random Sampling** in which elements are chosen at random so that each element has an equal chance of selection. **Snow-Ball Sampling** is another method used for survey. In this method, participants or informants with who contact has already been made use their social network to refer the researcher to other people who would potentially participate in or contribute to the study. It is very good for the case where members of a special population are difficult to locate. So, by this method one can find hidden population. Snowball sampling often leads the researcher into realm he/she knows little about.

Workers' interviews were conducted at the sub-contracting units. Interviews with child and young workers as well as with sub contractors were conducted.

Questionnaires, observation and field reports of the investors and records of the production (sub-contracted) sites are used as the main research tools in this study.

Various demographic indicators have been used for the profiling of the interviewees. These indicators are gender, age, work, type of work, working hour, overtime, payment mode, wages, level of education etc. Besides these, indicators related to attitude of employer towards child labour and economics of child labour have also been used.



II.6 Research analysis

-**Average** = [total of 'n' observations/'n']

-**Percentage** = [('n'/total of 'n')*100] where n is the observation.

- **Number of goods produced every day** = (Amount received as wages at the end of the day / wages earned for per unit of goods produced); or = (Day Rate / Piece Rate)

II.7 Data Source

The research study is based on primary as well as the secondary data sources.

The primary data source is the survey conducted in the concerned areas based on the questionnaire specially designed in order to fulfil the objective of the research study. A set of questionnaires have been carefully compiled with a view to elicit information regarding the personal profile of the respondents, modes and extent of child labour employed, and the remedies as desired by the respondents.

Secondary Data was collected from various sources like the Department of Women and Child Development, Karnataka State Women's Commission, Karnataka State Resource Centre on Child Labour, the Directorate of Factories, Government of Karnataka, child right's organisations, and other Studies published on the subject by other organisations like the one published by the Institute of Social Sciences.

II.8 Research Limitation

- The central theme of the research was to study child labour in garment sub-contracting units in Bangalore. The expected outcome of the study was to find out the nature and extent of child labour and their working conditions in the garment-manufacturing sector. It was challenging to develop an overview of the supply/production chain from the sub-contracting units to the final buyer.
- The interviews were conducted at the sub-contracting units. Due to the exhaustive working hours and production targets it was difficult for the workers to participate freely in the interview process. However, the majority of the data collection was successful with the workers giving candid responses.
- Interviews with children at the sub-contracting units were managed with difficulty and none of the children was given the permission to speak with the researchers for a length of time.
- Extreme care was undertaken while interviewing the workers at the sub-contracting units, building rapport with the workers and interviewing them for data collection, verification and triangulation.

Part III

WHAT DID THE WOMEN AND CHILDREN SAY

The overwhelming majority of the workers in the garment-manufacturing sector in Bangalore are young and unmarried girls. The age of the garment workers interviewed ranged from 15 to 48, all women workers and the majority not domiciled in Bangalore. Though there is a law prohibiting the employment of children below the age of 18, the workers were unaware about this, with only one worker admitting that there were child labourers working at the unit.

III.1 The workplace – the sub-contracting units

The study area covered sub-contracting units, which with handwork and sewing as the specialised activities at these units. Three-fourth of the total units approached were engaged in handwork whereas rest were sewing units.

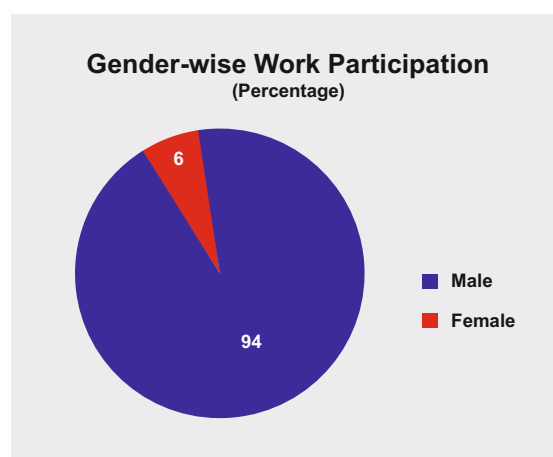
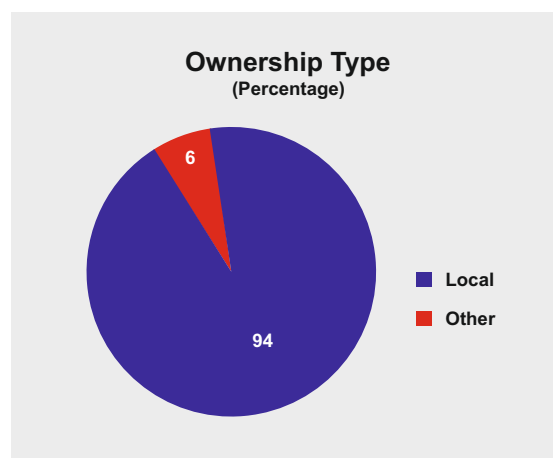
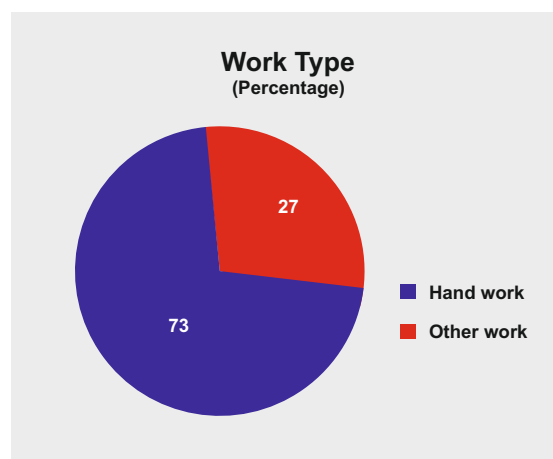
Most of the workers did not know about year of establishment of units. However, most of the outsourcing units were operating for more than 2 years barring a few which were new. Few units were sub-contracting for past 6 years or even more.

The main clients who are sub contracting to these units are Gokaldas Export, Shahi Export, Texport, Arvind Mills, Sonal Garments, Kashi Export, Hindustan Garments etc. However, no sub-contracting units had more than 2 clients.

Though, majority of outsourcing units were locally owned, 3 units were supported by factory. This clearly shows that the sub contracting within the premises of the establishment is not taking place or even not preferred by the clients.

None of the factory-supported unit disclosed anything regarding finance. Only one-third of the total units furnished information about the amount of loan taken. The loan amount ranged from Rupees 10,000 to 150,000 (~US\$ 200 - 3,000). The average loan amount per units was Rs. 20,000 (~US\$400).

The size of any sub-contracting unit can be judged by the number of workers it employs. In the sub-contracting units surveyed the number of workers at each unit varied from the other to a large extent. The number varies from 100 to 4 workers in a single unit. Only 10% of the total units surveyed had 100 workers or more whereas another 10% were operating with only 4 employees, and the average workers at the units being approximately 23 workers. 911 persons are employed in these 52 units, out of which only 53 are male workers whereas 858 are female workers. Female workers constitute majority workforce in these units showing high labour participation in sub contracting. On an average, 17 persons are employed per unit with 16 among them females employees.



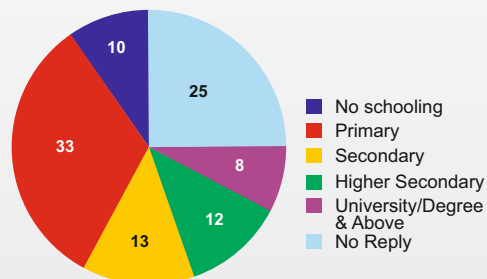
Tejaswani, a young girl of 17, says, "I lost my parents when I was very young. I live with my grandmother and I'm the only working person in the family. I'm working for past 2 years in this unit. I work 9-10 hours in a day. I'm not given any holidays except one weekly leave."

III.2 Workers' Status

The target group for the survey were sub contractor units' workers, agents and sub contractors. All the interviewees in these units were women and underage girl workers. Most of the workers and their families had come to Bangalore in search of better livelihood prospects in the garment sector.

The level of education among the respondents also exhibited a wide gap. However, on the one hand, one in ten respondents had never seen the inside of a classroom, on the other 8% acquired University degree or above. One-third of the total respondents studied up to primary level only.

**Educational Qualification
(Percentage)**



Sumathi, 13, said, "I'm working here since I was 10. My mother works from home. I work for 4 hours daily on weekends only as I go to school also."

Most of these employees face poor socio-economic condition which forces more than one member of the same family to work in the same unit.

Rukhsar, 11 year old is working in the 'finishing' unit. "I work here with my sister but I don't work on school days." When asked how many days did she work, she responded "4 days in a week."

In some of the cases children have not been found directly engaged in any activity but they do auxiliary work, like working as helper, with their parents.

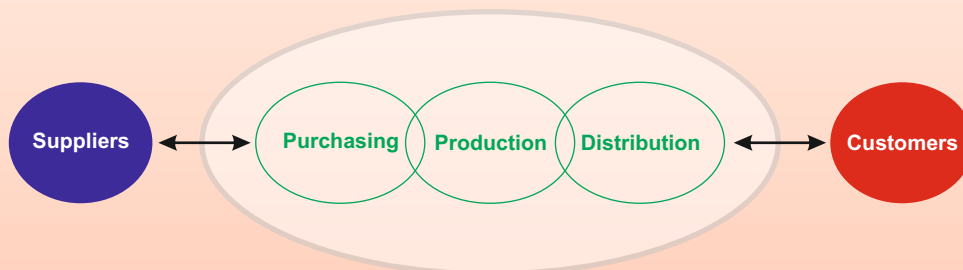


III.3 Supply Chain

The sub-contracting/outsourcing units work as 'backbone' of the supply chain in garment sector. From acquiring raw material and financial support from the supplier and delivering end and final products to the clients, the sub-contracting units face many hurdles related to costing, payments, availability of raw materials, quality, etc.

A **supply chain** is a **system** of organizations, people, technology, activities, information and resources involved in **moving a product or service from supplier to customer**.

SUPPLY CHAIN



Supply chain activities **transform** natural **resources**, raw material and components **into a finished product** that is delivered **to the end customer**.

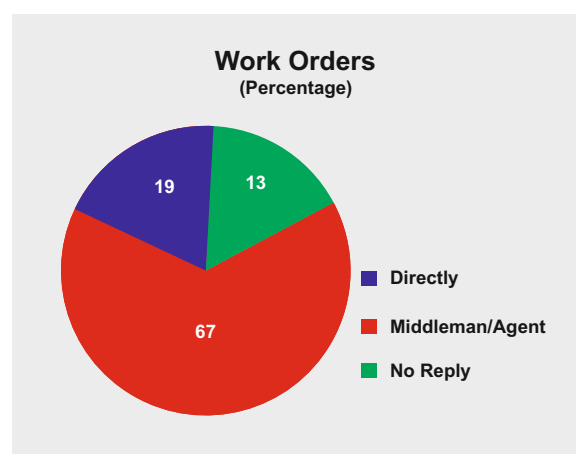
According to APEC Report 'Indian Apparel Clusters: An Assessment', 2009, no terms and conditions of payment are required due to which the payment cycle gets very volatile too putting a strain on the working capital requirement. Exporters prefer to work on job work basis to have complete control to manufacturing process.

Cash payments have been made to almost all the working units for the goods and services rendered by them. Though, information regarding the mode of payment has not been revealed by some of the units, but cash seemed to be the most favoured mode of payment among them.

Approximately, half of the units, in order to maintain receipt and payment records for the transactions made, possessed cashbooks. Some of the units reported to have their own account books. However, 40% of the units did not disclose anything regarding maintaining any book for their financial activities. None of the units reported to have any written contract with their respective clients. It has been informed that the clients abstain from making any agreement with the units. Eventually, 1/5th of the units said to receive direct orders from their respective clients.

The middleman or an agent was seen involved in placing an order in 67% of the cases. Though, the agent or the middleman did not necessarily work for a particular client or employed as a garment factory worker but sometimes extended their help in the process of recruitment of workers in a unit.

It has been found that there was no control over raw material procurement as the job-working units were completely dependent on the merchandiser and manufacturer.



It has been informed that all the units' products had to go through quality checks, which were carried out, by the middleman or the agent. Quality checks were performed either in the factory or at agents' place. The quality was one aspect, which was not compromised, and the workers had to either pay (debited from their working account) or put extra-unpaid work for faulty product lots.

Two third respondents said that the work given to them was not seasonal. It has been reported that the workers went to work on regular basis but none answered the period in terms of days or month. The study clearly indicated that the workers were more concerned with completion of work than count of days.

III.4 Payments and wages

None of the units surveyed were bound by any written agreement or contract to the parent units. Hence, the workers were employed as casual labourers. The workers always faced difficulties with the payment of wages with respect to time of payment as well as amount, as they were paid on the piece rate or day rate basis.

Nagaveni, 13, work with her mother. She is paid on the piece rate basis. According to Rupa, her mother, "There is no benefit working alone so my daughter helps me in my work and also adds to the income of my family."

Almost all the workers get Rs. 4-8 (~US\$ 0.08) per piece for the number of pieces they complete at the end of the day. But in two cases, the rate is only Rs. 0.50 (~ US\$ 0.01) to Rs. 2.50 (~US\$ 0.05) per piece, which was the lowest. The respondent informed that on an average a labourer earned between Rs. 100-150 (~US\$ 2–3). One third of the labourers get Rs. 120-130 (US\$ 2.4–2.6) at the end of a working day. On the contrary the lowest wage earned for the day was Rs. 50 (~US\$ 1) whereas highest is Rs. 250 (~US\$ 5).

Prabha middle-aged worker said, "My 13 year old daughter is working because my salary is not adequate to meet the family needs."

Both the piece rate and day rate at the end of the day was the deciding factor for the quantity of units produced. Though, lower piece rates and higher day rates generally gives an impression of less and more number of goods produced, respectively but this does not hold true always. For example, if a worker earns Rs. 60 (~US\$ 1.20) a day at the rate of Rs. 4 (~US\$ 0.08) per piece, she actually, at the end of the day, produced 15 units of the specific garment. However, if the same worker gets Rs. 250 (~US\$ 5) at the rate of Rs. 8 (US\$ 0.16) per piece at the end of the day, she produced only 31 pieces of that produce. Other factors like size of the goods, technology involved, time taken to complete one article, etc. also play important role in number of units produced.

As far as economic discrepancy, in sub-contracting units on the basis of gender, is concerned, it is observed that there is no difference in the wages rate of male and female workers. But on the contrary, the difference in the wage rate has been found in terms of child and adult labourers.

Najiya, a worker said, "The child gets Rs. 60 as a day wage whereas an adult gets Rs. 120-130 per day as wage."

Approximately, one fourth of the respondents said that the units did not sub-contract their work, but they confirmed that some work has been sub-contracted to the home-workers by the clients to other units. Only one respondent confirmed that the factory/client has knowledge of processes being sub-contracted.

III.5 Child Labour

Workers in the sub-contracting/outsourcing units are used as a cost-factor of production, an object whose labour is bought and used by the enterprise. Ranging from 11 years to 14 years children were found working in the sub-contracted units. Children between 15 and 18 years of age (juvenile workers) were also found working mainly as embroidery workers and helpers in these sub-contracting units.

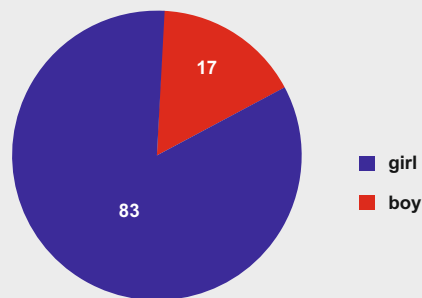
The surveyed sub-contracting units employed 28 child workers. Female/girl child labours outnumbered the male child labourers. The gender distribution ratio (for girl and boy child labourers) stood at 5:1. More than half of the total child labourers employed were less than 14 years of age. The age wise gender distribution shows a clearer picture of child labour situation in these outsourcing units. Out of the total children below 14 years employed, 89% girls are girls whereas above 14 years, 80% are girls. It is also found that in most cases parents mainly mother of the child and the child itself has same working profile/task. Majority of the children work as helper, whereas some work as embroidery worker also.

Mangala, 30, said, "I need help because I'm very poor and work mainly from home. My 3 children are helping me in my work." Mangala and her children are paid on piece rate basis.

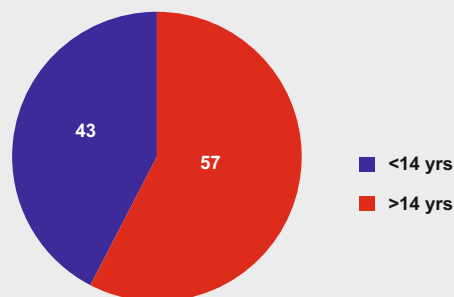
Almost all young workers paid on the basis of per piecework they do in the whole day. The rate of per piece varies from Rs. 4 to 8 (~US\$ 0.08–1.6).

Majority of child labourers worked at least 4 hours a day, whereas one-fourth of the child labourers worked for more than 8 hours a day, in clear violation of the child labour law. Neither the women workers nor the children were aware of holidays and leaves they were entitled to. The workers did not know anything about weekly holiday and annual leaves. Most of the children are working for more than 3 years baring a couple.

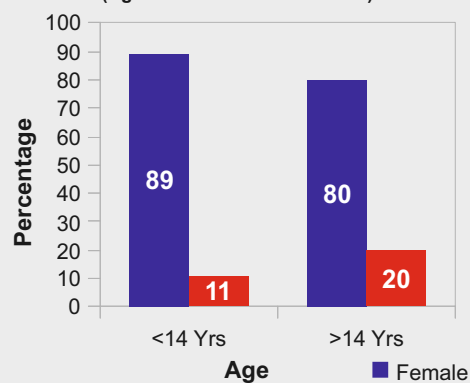
Gender Distribution of Child Labour
(Percentage)



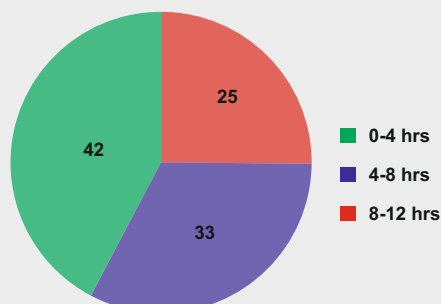
Age Distribution of Child Labour
(Percentage)



Child Labour
(Age wise Gender Distribution)



Children's Working Hours
(Percentage)



Danish, 14, said, "I am helping my mother for past one year in this unit because she is ill. I work 8-12 hours in a day and get 4-8 rupees per piece."

Of all the child labourers, only 4 had seen the inside of a classroom, while 3 children had never even been inside a school.

Pramila and Prema, both aged 13, said, "We are working for past 3 years in this unit. We go to school and work only on weekends because we are facing a lot of problems in the family."

4 children manage work as well as attend the school whereas 2 children do not go to school at all, but nothing can be said about the rest, as the data is not available. The children work both in the morning as well as evening shifts. The working time and be divided into 4 pm-8 pm, 11am- 6 pm, 10 am- 7 pm etc. Children also work during the holidays.

Amria, 28, said, "My daughter, my sister along with her two children work with me in embroidery unit. My sister is ill. All children have been working for past 3 years. The children work 4-8 in the evening. We all get payment on piece rate basis."

III.6 Working conditions

Many of the buildings were old with poor maintenance and dirty walls, ill-lit with poor ventilation in extremely crowded localities. Majority of the sub-contracting units had separate toilets for men and women, while about 15% of the units did not have safe drinking water for the workers. Half of the workers complained about lack of ventilation, poor lighting and over-crowding at the workplace.

The workers felt that education and skill training should be provided to the children after their withdrawal from the work. It has been found that employers agreed that there would be economic effects on their business if a child worker were withdrawn from the factory.

Part IV

MISSING LINKS AND RECOMMENDATIONS

IV.1 Missing Links – Gap Analysis

Child labour in supply/production chains

The presence of underage child labourers at the sub-contracting units is in clear violation of the national legislations, international commitments and the industry codes of conduct and compliance mechanisms. Additionally, children not going to schools are an infringement of the Right to Education Act 2009, which stipulates free and compulsory education for all children between 6 and 14 years of age.

Poor and inadequate labour inspectorate, and lack of transparency and visibility through the garment supply/production chain means child labour goes unchecked and children continue to work at the expense of schooling, overall growth and development.

Unorganised and un-checked

The subcontracting units have failing standard below requirements stipulated by national laws. The violations of workers' right like under payment of wages, stretched working hours, lack of amenities in workplaces, wage deductions for defects are regular features observed due to the absence of proper implementation and regulation of the laws.

Labour standard non-compliance

Most of the units maintain a poor labour standard where umpteen anomalies were found. True indeed, the study did not even find any code of conduct to be followed by these units, let alone enforced and monitored. The reach of the social compliance standards in the upper echelons of supply/production chain finds no mention in this invisible and murky layer. “Zero tolerance to child labour”, a compliance benchmark is flouted with impunity at these sub-contracted units, due to lack of awareness and enforcement of the labour standards. Even among the adult workers, the monthly wage rates are below the stipulated minimum wages in the state for the work and the units are not registered under the Interstate Migrant Workmen Act nor are the workers registered under the Unorganised Sector Social Security Act.

According to the workers employed on piece or time rate in these units clearly stated that they had no written contract or appointment letter at date of joining, no check apart from the quality checks on the finished products.

Unorganised and exploited

The complete absence of collective bargaining strength most of the times leads arbitrary dismissal and forced resignation of the workers. Among the various potent reasons for the absence of trade unions is the presence of large number of women and child workers in the industry. Freedom of association is a fundamental right of workers and none of the workers were aware of this and not a single worker was a union member. Majority of the workers were migrants from different districts of Karnataka or from the neighbouring states, and have no protection. The poor coverage of union is indicative of inadequate awareness among the workers of their rights, job insecurity and lack of adequate policy for worker's protection and promotion of organised workforce.

Undefined role of civil society

Civil society acts as counterweight to State - protecting human rights, opening up channels of communication and participation, providing training grounds for activists and promoting pluralism. Policy formation, agenda setting, delivering services, monitoring, innovating or working in partnership for the society are the main roles played by them. Nonetheless, most of the roles are being effectively played by the civil society in the areas of sub-contracting units to uplift the socio-economic conditions of the workers, especially child labourers and to break the vicious circle of exploitation.

Campaign for labour rights has had some impact in companies through codes of conduct and social compliance where they are enforced stringently, but the coverage is not to the larger sector involving the sub-contracting units and the unorganised, informal sector employing large numbers of migrant and unregistered workers. While campaigns have an important role to play, they cannot replace collectivisation and collective bargaining in terms of reach, duration of intervention, and building democracy throughout the supply/production network. The long-term focus of these campaigns has to be to strengthen worker democracy and collectivisation.

Fast and dynamic fashion demands

The market for garments is increasingly becoming fashion intensive. The fashion watchers of Europe forecasts the designs, which are supposed to be picked by the prospective buyers and orders are sent accordingly. This fast fashion has fashioned labyrinthine garment supply/production chain, where workers especially child labourers are exploited as cheap and docile workforce, to keep production on-time and sub-contracting units afloat.

Working condition and safety issue

The subcontracting units are mostly not registered ones, with no regards for working conditions and safety norms. The workplaces lack adequate infrastructure and general amenities. These sub-contracting units are run mostly in a home with complete absence of facilities. The buildings are old and dilapidated with no proper ventilation. The workers often have to work in the dim candlelight, as there is acute shortage of power supply. The subcontracting units lack basic amenities like potable water and toilets. The workers work under strenuous conditions, fearing that the quality checks could lead to lower payments or delayed payments due to rejections/defects.

Production

The greatest weakness in the production process lies in the processing and value-addition segments. In relatively more value added segments the competitive advantage based on low labour cost gradually declines. The sourcing and pricing practices within the garment-manufacturing sector, the demand of low-cost labour-intensive supply/production chains tied to dynamic fashion needs and ineffective control mechanisms (State and private) need to be revisited for an efficient, responsive and sustainable plan for child labour elimination from the garment-manufacturing sector.

IV.2 Recommendations

Elimination of child labour, protection of the unorganised and migrant workers, and promotion of decent work standards across the supply/production chain including the length and breadth of outsourcing and sub-contracting units can be done through a concerted and collaborated mechanism of collective action, inclusive representation of all stakeholders, transparent and sustainable action. For continuous social and economic improvements, the government, the industry, the trade unions, and the civil society should engage in on-going dialogue.

Government

- Ensure the enforcement of the child labour laws including effective remediation and rehabilitation of child labourers.
- Promote communication, coordination and collaboration between various government departments and law enforcement agencies for “child friendly” policies, programmes and action.
- The Right to Education Act 2009 should be enforced efficiently and rigorously throughout the country to ensure free and compulsory education to all children up to 14 years of age.
- Ensure the registration of an establishment under relevant legislation.

- Labour inspectorial mechanism should be strengthened through enhanced capacity building towards effective monitoring and understanding of the changing faces of slavery and exploitation.
- Labour inspections and relevant law enforcement agencies should regularly inspect sub-contracting units to detect violations, protect the rights of the workers including migrant workers.
- The penalty under various labour laws should be enhanced to be a realistic one in order to have a deterrent effect on the delinquent employers.

Corporations (supply/production chain)

- Supply/production chains vulnerabilities on account of exploitation of child labour and violations of other labour standards should be identified through diligent systems, and corrected.
- Ensure the implementation of company codes of conduct, and other ethical standards and norms throughout the supply/production chain.
- Clear policies, procedures and responsibilities should be established for identification, withdrawal and remediation of child labour from the supply/production chains.
- The drivers of child labour and labour exploitation in outsourcing and sub-contracting units should be identified and remedied.
- Invisible links of the supply/production chain should be identified and trained on labour standards, child labour and ethical practices.
- Awareness, training and capacity building of the supply/production chain should be carried out on labour standards, elimination of child labour and ethical practices.
- Greater engagement, collaboration and communication among all stakeholders in the supply/production chain, including the workers and their families on child labour and decent work standards.

Trade Unions

- Trade unions should have a wider perspective in discouraging child labour as a violation of decent work standards.
- Trade unions should focus on promotion of organised workforce, including the migrant workers.
- Workers education and awareness on decent work standards should be undertaken in outsourcing and sub-contracting units as well.
- Workers are the backbone of any monitoring mechanism, and the trade unions should focus on effective workplace monitoring through workers.

Civil society

- Community groups, non-government organisations, teachers organisations should focus on fostering an enabling environment that addresses the drivers of child labour.
- Support the development of knowledge tools and programmes for child labour elimination, protection of workers including the special needs of the migrant workers, trafficking for forced labour, etc.
- Support in public awareness and positive policy change in favour of child and education rights.
- Ethical consumerism should be promoted by civil society organisations.
- Civil society organisations should craft a culture of communication, collaboration and engagement with different stakeholders (between civil society, civil society and government, civil society and industry, etc.) to end child labour and other labour violations.
- Training and development of stakeholders, including industry stakeholders should be undertaken to bridge the capacity gap.

DEFINITIONS

Child: A person less than 18 years of age.

Child labour: is any work that deprives children of their childhood, their potential and their dignity, and that is harmful to their health or to their physical, mental, or social development.

Hazardous child labour: is work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children.

UN Child Rights Convention (Art. 32): Children should be protected from economic exploitation, and from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral or social development. States Parties shall provide for a minimum age for admission to employment, regulation of the hours and conditions of employment and provide for appropriate penalties to ensure the effective enforcement of the present article.

ILO Convention No. 138 on Minimum Age of Employment: A minimum age shall not be less than the age of completion of compulsory schooling and, in any case, shall not be less than 15 years. National laws or regulations may permit the employment or work of persons 13-15 years of age in light work.

ILO Convention No. 182 on Worst Forms of Child Labour: States should take action to eliminate the worst forms of child labour that comprises: All forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labour, including forced or compulsory recruitment of children for use in armed conflict; prostitution or pornography; illicit activities, work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children.

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