

# Compliance with labour standards at local level

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# ILS

- Freedom of association & collective bargaining
- Freedom from forced labour, child labour, discrimination



# Giving effect to CLS

- Government responsible for ensuring consultation on ILS, ratification/respect and integrating into national legislation.
- Government enforcement
- Empowering and strengthening tripartite and bipartite processes: employers and workers and their representatives

# Globalization

- Through the supply chain, MNEs can provide benefits of large scale production and marketing & modern processes.
- However, clusters typically remain marginal & low in productivity.
- Threats of globalization have to be met locally by better organizing & improving local economic activities.

# Other means

- IFAs
- CSR/ Global Compact
- ILO MNE Declaration

# Better work

- ILO/IFC agreement to promote compliance with CLS & national law in global supply chains, for socially responsible export strategies.
- Enhance enterprise economic and social performance

# Better factories/work

- Cambodia: monitors+reports working conditions in garment factories ref. national and international labour standards.
- Training+advice=conditions+productivity
- Cooperate with Govt+international buyers to ensure rigorous+transparent improvement

# Better factories/work

- Cambodia: unannounced factory visits
- Checklist of 500 items
- Workers and management interviewed separately/confidentially. Also shop stewards and union leaders.
- Monitoring findings public; factories named with progress identified

# LED

- Jepara, Central Java: Working local employers, trade unionists, local authorities, environmental groups, international markets to take high road to local development
- Certified wood, product quality, working conditions – long road.

# Factory improvement

- Medium/large-sized (500 –2000 employees) groups of 6-12 factories, trained for 8-12 months.
- Active in India, Sri Lanka, Vietnam.
- Results: defects from 13 to 8%.
- Absenteeism from 8 to 5%
- Turnover from 9 to 7%

# Going local

- India ( 90% workforce in unorganized economy; 50% self-employed; 350 modern clusters, 2000 artisan-based)
- Price-based competition keeps workshop owners & employees fragmented within a cluster.
- Networking, association, lobby local govt., access materials/resources, training, credit, income and terms/conditions employment

# Clusters

- Improve protection and rights of workers and enterprise productivity (Moradabad brassware and Kota handlooms, India; Sialkot sporting goods & surgical instruments; wood work in Indonesia).
- Survey on 10 clusters in Northern India in 2000-01

# North India cluster-study

- Interviews with 50 randomly selected enterprises, key informants from clusters, industry associations, support institutions.
- 66% from micro (1-5 workers) and 18% from 6-10, workshop or household settings.
- 56% in sub-contracting supply chain with large mfg or marketing units.
- 52% registered (mostly those above 10 workers)

# North India cluster-study

- 98% without employment contract
- 78% found no benefit in contract, while 40% felt it would be a disadvantage to have contract.
- 66% employers felt need for organization; opposite for workers.

# Global production networks & Decent Work

- ILS network of north-south scholars
- Role of labour in GPNs
- Upgrading strategies for DC suppliers/rel with economic development
- Governance structures state/non-state actors for +++ outcomes from participation GPN
- China, India, South Africa, Brazil

# The Trigger Factors and Industry's Initial Response

## **Garments Bangladesh**

1993 US Harkin Bill, calling for ban on import into US of goods manufactured or fabricated by child labour

Shocked, the industry began dismissing children enmasse.

## **Soccer balls Pakistan**

1996 media reports, at the time of the world cup threatened consumer boycott

The international and US sporting goods industry, consulted widely and decided to confront/solve the problem.

## **Carpets Pakistan**

1996, threat to GSP benefits on import to the US and consumer and activist pressure to adopt the Rugmark

The PCMEA consulted amongst members, studied the Rugmark and decided to solve the problem through an indigenous programme

## **Cocoa - Global Cote d'Ivoire Ghana**

2001, persistent media reports about child slavery on west African cocoa farms, esp. CDI threatened imports into US under the Executive Order and other legislation.

The industry consulted widely amongst itself, the CDI officials, some non-industry and ILO

## Partnerships and Frameworks

### Frameworks of Commitment & Action

- Garments** → **MOU signed between the BGMEA, ILO and UNICEF (Dhaka) - 1995**
- Soccer balls** → **Atlanta Agreement signed between SCCI, ILO and UNICEF (Atlanta) - 1997**
- Carpets** → **Agreement signed between PCMEA, ILO (Islamabad) - 1998**
- Cocoa** → **Protocol signed by US Senator and Representative and global industry and witnessed by ILO (Washington, DC) - 2001**

# Institutional Mechanisms

## Industry-initiated Foundations on Child Labour

- The International Cocoa Initiative (ICI) is an industry initiative and outcome of the Harkin-Engle Protocol
- The Tobacco Foundation (ECLT) is an industry initiative
- Both Foundations benefited from ILO-IPEC advice in formative stages and ILO continues to be adviser member on their Boards.
- Both have non-industry representation and are co-chaired by the industry and non-industry.
- Both conduct research, promote awareness raising and dialogue and support community projects.

# Institutional Mechanisms

Each industry geared up to

- Form partnerships, understand and appreciate values of other partners
- Implement framework commitments
- Coordinate with partners (local industry, development, etc)
- Be part of the networks
- Deal with the media

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- Forming groups (e.g. Cocoa Global Issues Group)
- Designating special task personnel
- Establishing child labour units
- Mobilizing industry resources

# Institutional Mechanisms

## **Governments, Employers' and Workers' organizations geared up too**

Established their own supportive mechanism

- Cote d'Ivoire - issue was under the Prime Minister's office
- Ghana developed a National Cocoa & CL Project
- Pakistan - ministry of commerce established a special fund and NGO to work with the ILO on child labour problems in the export sector – soccer balls, carpets, surgical goods, and a mechanism for collection of funds

## Programmes of Action Promoting ILS

### Some examples:

- Child labour concerns serve as starting point for improving general labour conditions
- The process involves dialogue, partnerships and collaboration among groups including workers and management
- Encourage understanding of child labour issues
- Encourage training on ILS and CSR issues
- Identify risks at the workplace and at work
- Improve safety at work for all workers
- Encourage business to improve business practices
- Encourage business to support social causes particularly related to children's education and training of youth
- Encourage the tripartite constituents to develop systems and mechanisms that would make them more competitive

# Impact of Programmes

## Cocoa Project (WACAP)

Cameroon, Cote d'Ivoire, Ghana, Guinea, Nigeria

- Institutional arrangements, e.g. Project Technical Advisory Committees established, Child Labour National Steering Committees supported
- National policy support to governments and constituents
- Ghana Govt developed Nat'l Programme on Cocoa and COCOBOD developed plan of action
- Child labour monitoring systems established in Ghana and CDI
- Knowledgebase on CL in agriculture enhanced
- Models of intervention for prevention and withdrawal – over 13,000 children withdrawn and prevented through education and training
- Over 2,000 adult family members provided training, income-generation support
- Over 80,000 adults and children sensitized on issues
- Public education system supported with training of educationists
- Training of trainers for farmers

# Impact of Programmes

## **Soccer ball project, Sialkot Pakistan**

- An Independent Monitoring Association for Child Labour (IMAC) established to take over the monitoring component implemented under the project
- The project monitors made some 50,000 monitoring visits to workplaces
- Over 170 Village Education Committees and over 240 Family Education Committees were formed
- Over 10,000 children were provided education or training, and of these over 5,000 were mainstreamed into the school system in Sialkot
- 255 non-formal education centres were established by two NGOs
- The SCCI (Chambers) formed the Child and Social Development Organization (an NGO) to sustain the impact of the social protection programme after IPEC project ended.
- Credit was provided to families
- Medical linkages were made, training was provided as appropriate to older children, family members, teachers, and others
- Culture of responsibility for development of children was created within business and communities

# Bringing it together?

- Sialkot
- Starting with CL, moving to other standards and broader production and employment issues .....LED
- Multi-stakeholder (national and international, producers, buyers).