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## Insights into working conditions in India's garment industry





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## Acronyms

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<b>EPF</b>	Employees' Provident Fund
<b>ESI</b>	Employees' State Insurance
<b>GSR</b>	Garment Sector Roundtable
<b>ILO</b>	International Labour Organization/Office
<b>JFF</b>	Joint Fact Finding
<b>MOLE</b>	Ministry of Labour and Employment
<b>NCR</b>	National Capital Region
<b>NGO</b>	Non-Governmental Organization
<b>OC</b>	Unpaid overtime (involuntary)
<b>OECD</b>	Organization for Economic Cooperation and Development
<b>OSH</b>	Occupational safety and health
<b>OT</b>	Overtime
<b>RMG</b>	Ready Made Garment



## Executive summary

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This report presents selected findings of research into the garment industry in India conducted by the Garment Sector Roundtable (GSR), with the support of the ILO, in 2012-13. The primary purpose of the study was to investigate the factors leading to labour shortage and labour turnover in the industry. Through the collaboration with the ILO, some additional questions were included in the survey instruments covering a number of indicators of forced labour, in order to investigate whether any such practices were prevalent in the workplaces surveyed. The research covered only the garment factories themselves and not their supply chains. The consulting firm Meta-Culture was the facilitator of the GSR; as such, Meta-Culture was also responsible for overseeing the entire research process in consultation with the GSR member organizations.

Two types of survey were conducted: first, a quantitative survey of garment sector workers, in sites in north India (NCR) and south India (Bangalore). The sample size of current workers was 432 (265 women and 167 men), and of former workers was 51 (35 women and 16 men). The survey used a structured questionnaire administered by trained researchers. As the respondents were not selected using probabilistic sampling techniques, the findings cannot be extrapolated beyond the workers and factories covered, but give a general indication of conditions in the respective areas. Second, a qualitative survey was undertaken, using semi-structured checklists, of other stakeholders in the sector, including government officials, company owners/managers, labour contractors, trade unions and civil society organizations. A total of 32 interviews were held, in person where possible, or via telephone.

The ILO analysis and report focus only on those aspects of the research findings that relate to possible forced (and child<sup>1</sup>) labour problems in the industry. The forced labour indicators relate to three stages in the employment cycle: recruitment, employment and leaving the job, at any of which deception or coercion may be applied to a worker to force her or him to work against her/his free will. The report does not set out to portray an overall picture of the garment sector in India, nor does it attempt to quantify or estimate the number of workers who may be categorised as working under forced labour or severely exploitative conditions; neither of these was an objective of the research. This report should be read in conjunction with those written by former GSR participants, which shed light on important differences between north and south India, as well as between women's and men's situations and perceptions, which were not explored in the analysis presented here.

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<sup>1</sup> Investigation of possible child labour was originally within the scope of the research. However, the quantitative survey showed that child labour was not a problem in the factories being surveyed and this was subsequently confirmed through the qualitative survey.

Both quantitative and qualitative surveys generated useful insights into the prevalence of certain indicators of forced labour along with other aspects of working conditions in the garment sector. These findings formed the basis for the formulation of a set of tentative recommendations for consideration by the different stakeholder groups in the industry, which can be found in the final section of the report.

Key research findings of interest include the following:

#### *Profile of the workers*

- About half of the current workers interviewed were aged between 25 and 34 years. A quarter was aged less than 25, and a fifth were 35 or older. There were no child workers identified below the age of 15 years, and only 2 in the 15-17 year age group. Women dominate the workforce in the Bangalore area, whereas men represent the majority in the northern NCR.
- The vast majority of workers had migrated from another place, mostly from rural villages either in the same state or a neighbouring state.
- Over half had outstanding household debts, many owing more than Rs. 50,000 and some more than Rs. 100,000.

#### *Employment status*

- More than four in five workers say they cannot move on to better jobs, either because they do not have the right skills or because there are no other job opportunities available.
- Fifteen per cent are contract workers, employed by a third party; most are directly hired by the company.
- A clear majority of workers (more than two-thirds) had worked for 3 years or more in the garment sector at the time of the interview.

#### *Perceptions of the garment industry*

- Although the majority (65%) of current workers say they “like” working in the industry, more than one third do not like it.
- More than half of the workers sometimes or often think about leaving their factory or the garment industry altogether. The most common reason is poor wages, followed by high production targets, poor working conditions and difficult relationships between management and workers.
- Nearly nine out of ten workers do not want their children to work in the garment industry.

### *Recruitment stage*

- Four-fifths of workers say they have to work more hours per day or days per week than was initially agreed when they were recruited, either occasionally or frequently. Hence, there is evidence of deception in the recruitment process.
- There was no evidence of coercion in recruitment.

### *Employment stage: working conditions*

- Fewer than four in ten current workers had received a written employment contract, and less than half of them fully or partially understood its content.
- Wages are always or most often paid “regularly and on time” for about nine in ten current workers, and one in ten are “sometimes” paid on time.
- One in five people work 7 days a week. Three-quarters usually work an 8 hour day, but a quarter work more than 10 hours on a regular basis. Overtime is very common, often involuntary, especially when orders have to be delivered quickly. Two-thirds say they cannot refuse to undertake this extra work. Unpaid overtime was also reported by some workers.
- Penalties are common for not meeting production targets or doing the required overtime, mostly verbal abuse and threats from the supervisor or manager; physical abuse and beatings were less common, but nonetheless present.
- The situation regarding leave was somewhat unclear from the worker survey. Among those who did not take leave in the past year, most say they are not entitled to it and a few fear losing their jobs if they did. Other stakeholders mentioned that workers have sometimes to quit their jobs in order to go home for festivals or on other occasions.
- Most current workers are registered for social security schemes such as the Employees’ State Insurance (ESI) and Employees’ Provident Fund (EPF) and half have on-site health care facilities.
- There appears to be a widespread culture of disrespect of workers by their supervisors. Only one-fifth of all current workers say they have never seen or heard about any threats or abuses in their factory. Verbal abuse, use of bad and insulting language and scolding were most commonly reported, followed by being forced to work when unwell, physical violence, beatings or having pieces of cloth thrown at them, and a number say they have witnessed or been locked in the workplace. Sexual violence or harassment of women is reported by one in ten of all workers but nearly one in five women. There is thus abundant evidence of workers, of both sexes but especially women, being subject to threats and penalties during the employment phase, and of working under duress.

### *Leaving the job*

- The vast majority of workers can leave their employer when they want, after a specified notice period usually 4 weeks.

### *Complaints mechanisms and worker representation*

- Most workers would go either to their Human Resources Department or to their supervisor if they had a complaint or problem at the factory. Nearly one in ten says nothing can be done.
- There is very limited worker representation at factory level. Less than a quarter of workers are aware of a functional workers' committee or trade union at the workplace.

# 1. Introduction

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The textiles sector in India contributes about 14 per cent to industrial production, four per cent to gross domestic product (GDP), and 27 per cent to the country's foreign exchange inflows. It also provides direct employment to over 45 million people, second only to agriculture as an employer.<sup>2</sup> The readymade garment (RMG) sector is one of the largest urban employers in India and is a key driver of the national economy. Over the past two decades, it has transitioned from a largely informal to a largely formal, factory-based industry, highly dependent on labour inputs. The largest RMG manufacturing centres, in Bangalore (Karnataka), Tirupur and Chennai (Tamil Nadu) and the National Capital Region (NCR), have a combined workforce of well over a million women and men. In the southern centres, women predominate while there are more men in the northern NCR. A large proportion of the RMG sector employees are first generation industrial workers, many of whom are internal migrants.

Despite a massive internal market in India, the RMG sector is largely export-oriented, with a significant proportion of production destined for markets in the OECD countries. The sector's large- and mid-sized manufacturing companies are part of a global value chain. Their business strategies and practices are directly influenced by industry competition, both within India and from other, mainly Asian, countries. Indian manufacturers are bound by national and state labour laws and policies, which differ from those in competitor nations.

Labour is critical to the sector's current competitiveness and long-term viability. Workers' skill levels, productivity and motivation, the industry's ability to attract and retain the right quantity and quality of workers, domestic labour laws and regulations and workers' living conditions and costs in urban areas, are all critical in the context of a continuously changing economic environment. In South Asia and other emerging economies, where low-cost labour is essential for industry competitiveness, the garment industry has been subject to various allegations of labour abuse, including long hours, forced overtime and low wages. In light of these factors, there have been many state- and non-state initiatives to try to ensure sound labour and other practices in the sector whilst maintaining its international competitiveness.

One such initiative was the Garment Sector Roundtable (GSR). GSR was a multi-stakeholder initiative that brought together various stakeholders in India's RMG sector with historically adversarial relationships and competing interests. The purpose was to create a group that, outside a formal regulatory mechanism, was capable of discussing differences, identifying common interests, and taking collaborative action to make systemic change for

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<sup>2</sup> <http://www.ibef.org/industry/textiles.aspx> accessed 24.2.15.

the benefit of the garment industry in India. The participants represented manufacturers, industry associations, brands, government, trade unions, international and domestic NGOs, the ILO and research institutions. The GSR was facilitated by Meta-Culture, a private consulting organization specialising in conflict resolution and based in Bangalore.

After extensive consultations, the GSR determined that an initial “joint fact finding” (JFF) initiative should be established on the issues of labour shortage and staff turnover in the sector, which were perceived to be problematic and in need of in-depth analysis and possible follow-up action. The JFF planned to undertake the research in two phases - one qualitative and one quantitative. ILO, already a participant in the GSR, became closely associated with this initiative with a view to extend the scope of the research to investigate also whether or not child and forced labour were present in the RMG sector, and if so, how they were manifest. ILO and the GSR (mediated through Meta-Culture) therefore agreed to collaborate, as their respective areas of interest were potentially linked. It was also intended, by both parties, that the information generated through the JFF would be shared with the broader GSR membership. This would provide a mechanism for follow-up action to be discussed and, potentially, undertaken.

For the ILO, the study represents part of a wider strategy of using statistical information and policy analysis to guide action to eliminate child labour and forced labour. It has been produced with technical contributions from the Special Action Programme to combat Forced Labour and the International Programme on the Elimination of Child Labour, now both located within the Fundamental Principles and Rights at Work Branch.

## 2. Research objectives and methodology

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The study objectives, from the ILO viewpoint, were to investigate whether any aspects of working conditions in the RMG factories covered in the survey indicate the possibility of child or forced labour problems or practices. It should be noted that the principal objective of the research (for the GSR) was to investigate issues of labour shortage and staff turnover – which are not covered in this report. The investigation of possible forced labour problems was introduced as a secondary objective through the collaboration with the ILO. The research covered only the garment factories themselves and not their supply chains.

The study applied a two-phase methodology, to gather both quantitative and qualitative data. The quantitative survey gathered information from current and former garment sector workers. The qualitative survey targeted various stakeholders in the garment sector, including factory owners/managers, trade unions, government and NGO representatives, and labour recruiters, but did not include workers. For largely logistical and financial reasons, the quantitative survey was completed first. Then, about a year later, the qualitative research was undertaken. The full data sets from both surveys were made available to the ILO by Meta-Culture.

### 2.1 The quantitative survey

The quantitative survey aimed to capture worker perspectives on various issues concerning their work in the RMG sector. The target was to survey around 500 RMG workers in factories in and around Bangalore (subsequently referred to as the “south”) and the NCR (subsequently referred to as the “north”), of whom around 450 should be current workers, and 50 former workers who were now employed in other sectors. The former workers were included in order to understand their reasons for leaving the industry. Interviews were conducted by individuals affiliated with GSR member organizations, who were familiar with the RMG sector and with research methods and implementation. The sample was not drawn randomly, either at the factory or the worker level, so the data cannot be extrapolated beyond the individuals and factories covered, and certainly cannot be deemed representative of the garment industry in India as a whole. Nonetheless, they are believed to give a reasonable indication of practices and issues in the workplaces covered.

The areas covered in Bangalore were: Peenya, Hosur Road, Mysore Road and Doddabalapur; in NCR, the localities were Gurgaon, Manesar, Faridabad, Noida and Delhi.

The surveys were undertaken by skilled teams from two civil society organizations: Munnade (an associate of CIVIDEP) in Bangalore and ASK in Delhi. Interviewers used a structured questionnaire developed by the JFF/Meta-Culture and the ILO, with slightly different versions for current and former workers. All field researchers underwent training

to ensure the integrity and neutrality of the data collection process. Field work for the quantitative data collection was undertaken in February 2012. For survey implementation, the researchers went to the field to identify factories and their workers during weekday evenings, and on weekends (Sunday) they returned to conduct the interviews in the workers’ home communities. Data-cleaning and data-entry were undertaken by Meta-Culture with technical guidance from the ILO. Data analysis and report-writing were undertaken separately by Meta-Culture/GSR and ILO.

The actual sample size achieved was 432 current garment workers and 51 former workers. The breakdown of the respective samples is given in the table below.

**Table 1: Quantitative survey of workers: Sample breakdown**

	Current workers		Former workers	
	No.	%	No.	
<b>South</b>	252	58	<b>South</b>	31
<b>North</b>	180	42	<b>North</b>	20
<b>Total</b>	432	100	<b>Total</b>	51
<b>Women</b>	265	61	<b>Women</b>	35
<b>Men</b>	167	39	<b>Men</b>	16
<b>Total</b>	432	100	<b>Total</b>	51

Due to the small number of former workers surveyed, references to their responses are cited in this report in absolute numbers, while percentages are used for citing responses of the current garment sector workers.

For the purposes of the ILO analysis, the datasets from north and south were merged and treated as one. This was because there was no evidence to suggest that different factors would be at play regarding possible forced labour practices. Given the relatively small sample size, responses of men and women were not disaggregated in the analysis.

### 2.1.1 Indicators of forced labour

When working with Meta-Culture on the design of the various survey tools, ILO was guided primarily by the indicators of forced labour, as presented in *Hard to see, harder to count: Survey guidelines to estimate forced labour of adults and children* (ILO, 2012).<sup>3</sup>

These guidelines translate the legal definition of forced labour, as contained in the ILO Forced Labour Convention, 1930 (No. 29) into an operational definition.

Convention No.29 defines forced labour as follows:

*“all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily.”*

The “operational definition” breaks down the legal definition into elements that can subsequently be measured through a survey. It reads as follows:

*“Forced labour of adults is...work for which a person has not offered him or herself voluntarily and which is performed under the menace of any penalty applied by an employer or third party to the worker. The coercion may take place during the worker’s recruitment process to force him or her to accept the job or, once the person is working, to force him/her to do tasks which were not part of what was agreed at the time of recruitment or to prevent him/her from leaving the job.”<sup>4</sup>*

The operational definition of forced labour thus has four principal elements or “dimensions”. The first three dimensions relate to a lack of freedom of choice/consent during three phases of an employment experience – first, recruitment; second, employment; and third, leaving the job. During each of these phases, different methods of coercion (the fourth dimension, penalty or threat of a penalty) can be applied to the worker.

These dimensions are explained further below.

1. **Unfree recruitment:** Unfree recruitment is when, during the recruitment process, constraints are applied by a third party to oblige workers to work for a particular employer or in a particular job or task against their will. Deceptive recruitment is when a

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<sup>3</sup> While the methodology described in “Hard to see, harder to count” can be used to estimate the incidence of forced labour in a given population, this was not the objective of this study. No attempt was made here to analyse whether individual respondents, or any sub-category of workers, were in a forced labour situation, and neither were sufficient data necessarily available from the survey to ascertain this. Rather, the forced labour indicators were used to guide the questions included with respect to working conditions (in both surveys) as well as the analysis and presentation of the results.

<sup>4</sup> The operational definition of forced labour of children is slightly different. It is not reproduced here as instances of children at work were not encountered in the factories surveyed in this study.

person is recruited using false promises about the location, nature or conditions of the work to be undertaken.

2. **Work and life under duress:** This covers adverse working or living situations imposed on a person. “Work under duress” may entail an excessive volume or duration of work or tasks that are beyond what can reasonably be expected of a worker. “Life under duress” refers to the imposition by the employer on the worker of degrading or difficult living conditions, limitations on freedom or inducement of excessive dependency.
3. **Impossibility of leaving:** This means a person is not able to leave the job at a time of their choosing, subject to a reasonable and previously agreed notice period. It may involve physical constraints on leaving e.g. armed guards or locked premises, or financial penalties, such as the loss of earnings due.
4. **Penalty or menace of penalty:** Threats or penalties may be applied by the employer or his/her representative either directly to the worker or to members of his or her family, at any or all of the stages outlined above, to force them into and/or keep them in a job against their free will. Penalty can be further divided into six sub-categories: threats and violence (of a physical, sexual or psychological nature); restriction on freedom of movement due to isolation, confinement or surveillance; debt bondage or debt manipulation; withholding of wages or other promised benefits; retention of passport, identity papers, travel documents or other personal documents; and abuse of the vulnerable situation of a worker, including threats of denunciation of irregular migrants to the authorities, or taking advantage of his or her (young) age and lack of experience.

The “base questionnaire” developed by Meta-Culture for the quantitative survey aimed to collect data on labour shortage and turnover issues, and was structured as follows:

- Personal information
- Household information
- Current employment
- Industry-specific information
- Factory-specific information
- Aspirations for family.

In discussion with Meta-Culture, ILO included additional questions to gather information on selected indicators of each of the dimensions of forced labour, to the extent possible given the need to keep the survey instruments to a manageable length. A further important consideration was that, given the multi-stakeholder nature of the GSR and the main objective of the survey, the inclusion of questions related to possible coercion at work should not put the remainder of the interview in jeopardy, for example by making the respondent feel uncomfortable or suspicious. Thus, most of the questions relating to forced labour indicators were placed towards the end of the interview schedule, by when the

interviewee should be more relaxed and willing to speak more openly. The final questionnaires represented the outcome of extensive discussion between Meta-Culture and the ILO. According to feedback from one of the organizations which conducted the field surveys, since the topic of interviews was fairly straightforward (and not a sensitive topic such as sexual harassment), workers were very open to answering all questions in detail.

With respect to child labour, only very few questions were inserted, given that there was no *a priori* evidence pointing to the existence of children (aged less than 15 years) working in the formal sector garment factories covered by this research. Thus, worker respondents were asked their age, and a few other questions were included, for example, asking whether respondents were aware of any children working either in their own or in other factories. The study did not seek to investigate whether young people aged 15 – 17 years were engaged in hazardous jobs or tasks – which, if present, would constitute a worst form of child labour.

## 2.2 The qualitative survey

The second phase was a qualitative survey designed to capture the perspectives of other stakeholder groups on issues affecting the garment industry. It involved 32 interviews with factory managers, labour contractors/recruiters, government representatives, trade unions and civil society actors. The breakdown is as follows:

- Manufacturing company owners or managers in the North (NM) and South (SM): 13
- Labour contractors/recruiters in the North (NLC) and South (SLC): 5
- Trade union or other worker representatives in the North (NTU) and South (STU): 4
- Government representatives in the North (NG) and the South (SG): 5
- Civil society actors in the North (NNGO) and South (SNGO): 5

The interviews were conducted by Meta-Culture professional staff, in April 2013, most in-person and a few over the phone. Interviewees' responses were written up in detail. The interviewers used a set of semi-structured interview guidelines developed by Meta-Culture and the ILO, which were tailored to the different respondent groups. The guidelines were applied flexibly depending on how individual interviews progressed; not all questions could be asked of all respondents, as this would have made the interview too long. The qualitative data were shared with the ILO, and analysed separately by former GSR members (as by this time, the GSR had unfortunately been dismantled) and by ILO.

## 2.3 The ILO report

This report by the ILO focuses on the aspects of the research associated with possible forced labour and other exploitation at the workplace. It does not explicitly cover labour shortage and staff turnover issues, which are addressed in a separate report prepared by

former GSR members. Nonetheless, it is worth pointing out the likelihood that some of the issues discussed in this report must inevitably lead to worker dissatisfaction, which may cause them to seek to quit either the particular factory or the garment sector entirely, if they were able to find a suitable income-earning alternative.

This report includes the findings of both the qualitative and quantitative surveys. It is organised as follows:

Section 3 presents the findings of the quantitative worker survey, starting with a description of the profile of workers in the garment sector and of their perceptions of work in the sector. There follows an examination of the three main stages of the employment process – recruitment, employment, and leaving – to assess whether deception, exploitation or coercion are at play. In this, both quantitative and qualitative survey results are drawn upon. As mentioned earlier, no attempt is made to analyse whether or what proportion of workers were in a forced labour situation.

Section 4 looks at the issues of law enforcement and factory inspections, grievance mechanisms and worker representation and organization.

Section 5 examines the perspectives of stakeholders other than workers on issues of labour turnover and working conditions.

Finally, section 6 summarizes the main findings of the research, draws some conclusions and presents tentative recommendations for the sector.

## 3. Working conditions in the garment sector

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### 3.1 Profile of current RMG workers

As the sample for the quantitative survey of workers was not drawn using probabilistic sampling, the following description is not necessarily representative of all workers in the factories visited nor of the garment sector in general in that part of India, but depicts key characteristics of the workforce interviewed.

More women than men were interviewed overall (representing 61% of the sample). But there were marked differences between the north and south. Whereas the smaller northern sample was heavily dominated by men (83%), the larger Bangalore sample was even more heavily dominated by women (93%).

The median age of the sample was 29 years. About half were in the age group 25-34 years. A quarter were aged less than 25, and a fifth were 35 or older. Only two interviewees were aged less than 18 years (one 15 year old, and one seventeen year old i.e. none was less than the minimum working age in India).

Over half the interviewees (53%) had completed Grade 8 or less, including around a third Grade 4 or less. Three-quarters were married, and 85% currently lived in an urban area. The vast majority of workers (94%) had migrated from another place; 92% had come from a rural village, mostly within the same state (56%) but a substantial proportion from a neighbouring state (38%). The majority migrated with family members, and almost all lived in a rented flat. Eighty per cent walked to work, and for most of them this took less than 30 minutes. In nearly 70% of cases, the interviewee was the only household member in paid employment; in just over a fifth, there were two people working. Consistent with this, nearly 70% of interviewees reported that their income was “very important” to household maintenance.

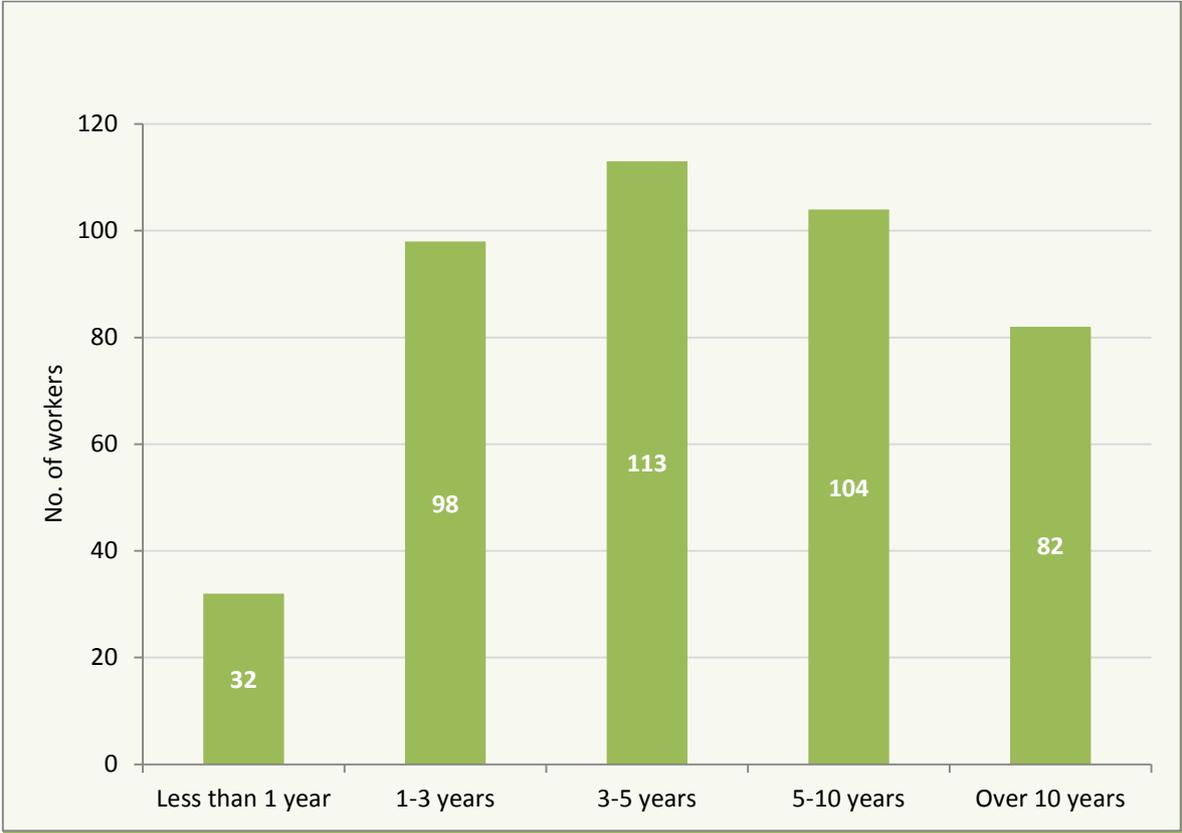
Over half of the workers (56%) had outstanding household debts; a half of these indebted households owed more than Rs. 50,000 and a quarter more than Rs. 100,000. The majority - 75% - had borrowed from an informal money-lender or against gold, and the main reason cited for taking loans was to cover medical expenses. There was barely any evidence of loans taken out from the employer - only 2 cases.

Regarding their current employment situation, most of the respondents were tailors (58%), helpers (18%) and checkers (11%). A large majority (93%) report that they have not done any other type of job in the factory over the past year; moreover, 83% say they cannot move on to better jobs, mostly either because they do not have the right skills and experience or because there are no other job opportunities available. More than four-fifths

worked full-time and were hired directly by the company. Fifteen per cent reported being contract workers, employed by a third party (and therefore in a so-called “triangular” employment relationship).

Prior to working at this factory, more than two-thirds of interviewees had been employed in a different garment factory, mostly for a period up to 3 years. Figure 1 shows the number of years that respondents had worked in the garment sector in total. It shows that, despite concerns about labour turnover in the industry, a clear majority of workers (70%) had been employed for 3 years or more in the sector at the time of the interview, including 20% who had worked for more than 10 years. So, the main issue seems to be limited retention of workers at the level of the factory, rather than within the industry as a whole. Among the sample of former RMG workers, 60% had worked in the sector for more than 4 years, and three quarters had worked in more than one factory.

**Figure 1: Number of years worked in the garment sector (current workers)**

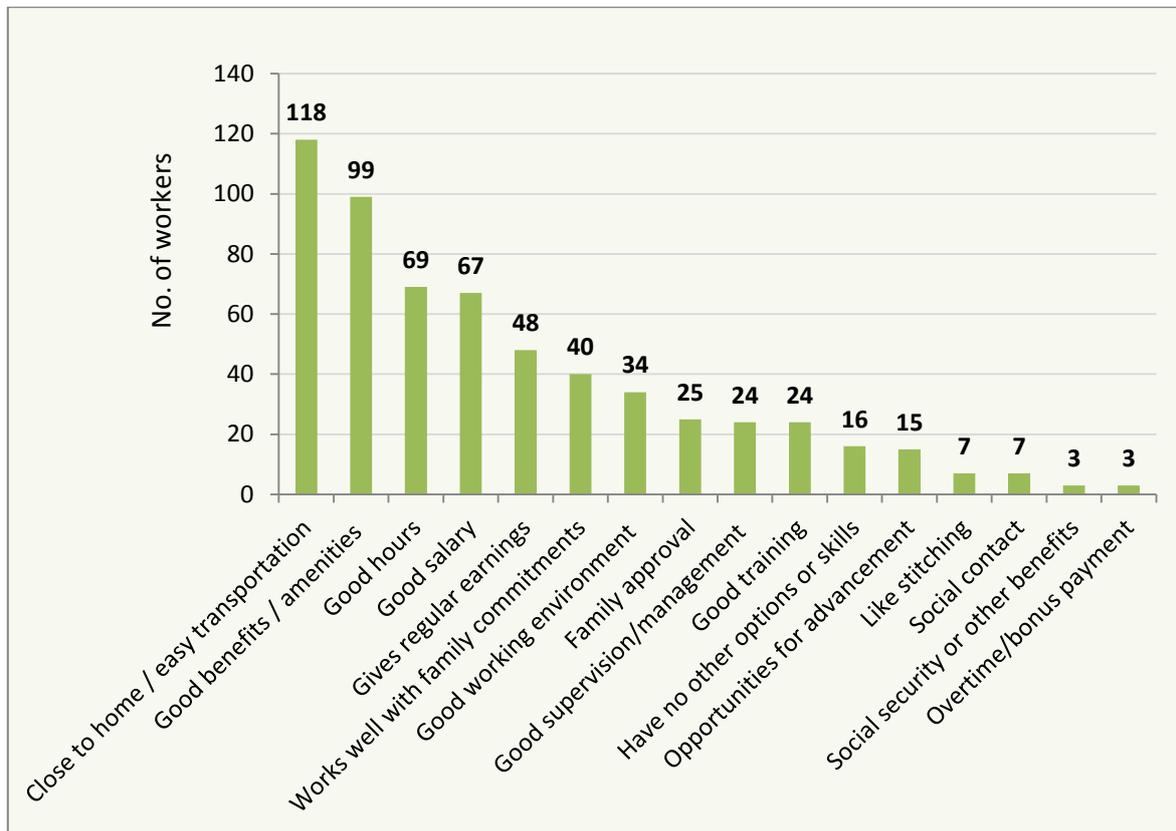


### 3.2 Workers’ perceptions of their work in the garment sector

Before turning more specifically to issues of exploitation and possible forced labour, it is useful first to look into what workers say regarding how they feel about their work in the sector. These findings are drawn only from the quantitative survey of workers. Although the majority (65%) of current workers say they “like” working in the industry, a significant

minority of 35% (i.e. more than one third) say they do not like it. The main reasons cited for “liking” the work include that it is close to home and easily accessible, that there are good benefits and amenities, and that the hours and pay are good. Similar reasons were given for liking work in the current factory – but a good working environment and the fact that the work was compatible with family commitments ranked higher than “good salary”.

**Figure 2: Reasons given for liking work in the RMG sector (current workers)**

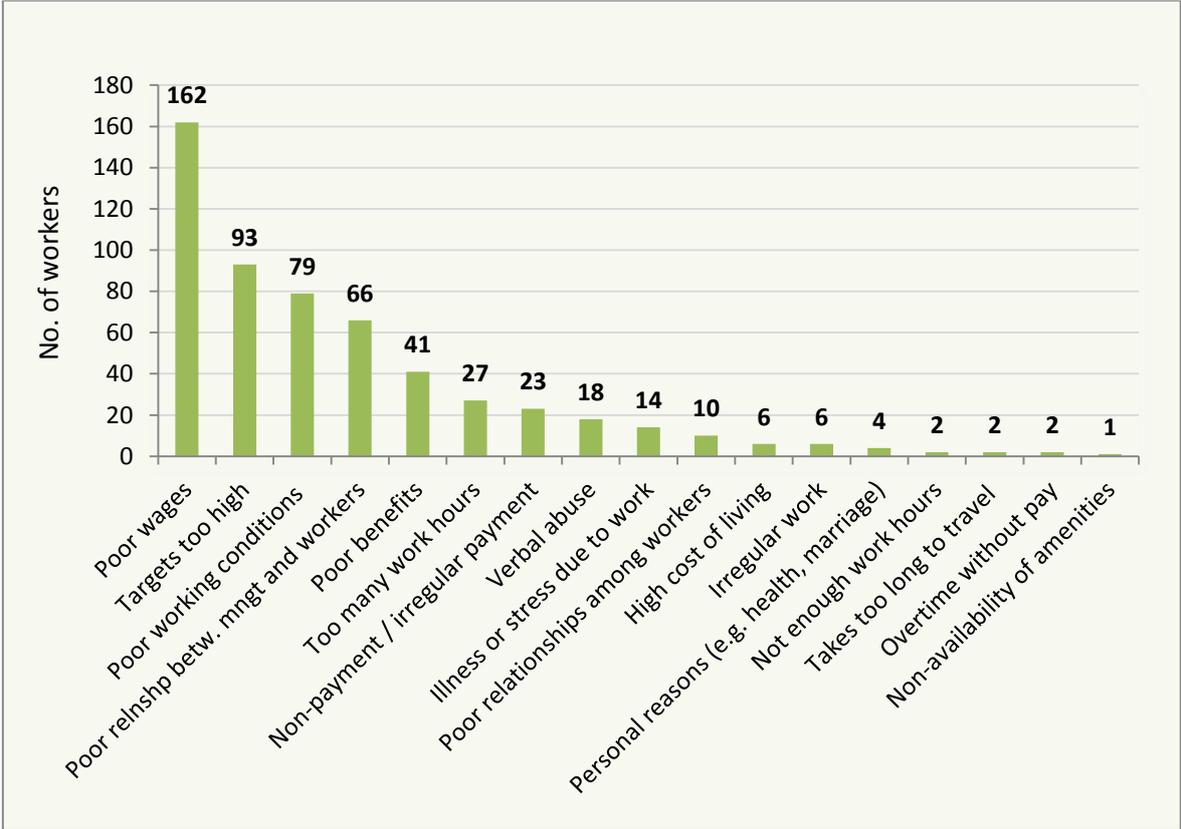


Despite these perceived benefits, more than half of the workers think sometimes, or more frequently often, about leaving their current factory and about leaving the garment industry altogether. The reason most frequently cited was poor wages as shown in Figure 3. Other reasons include high production targets, poor working conditions and poor relationships between management and workers (each cited more than 60 times). When asked, “What is the one thing that could make you stay in the garment industry, if other work you like were available?” the most common answer by far was higher wages (cited 139 times), followed by better benefits and amenities (cited just 40 times). It seems clear that low wages are the biggest source of dissatisfaction among workers. Consonant with this, among the substantial proportion of workers (45%) who said they never think about leaving the industry, by far the most common reason given (by 172 respondents) was that they needed the wages.

The survey asked similar questions of the workers who had left the garment industry, most of whom were now working in cleaning, retail, custodial duties/security and other jobs.

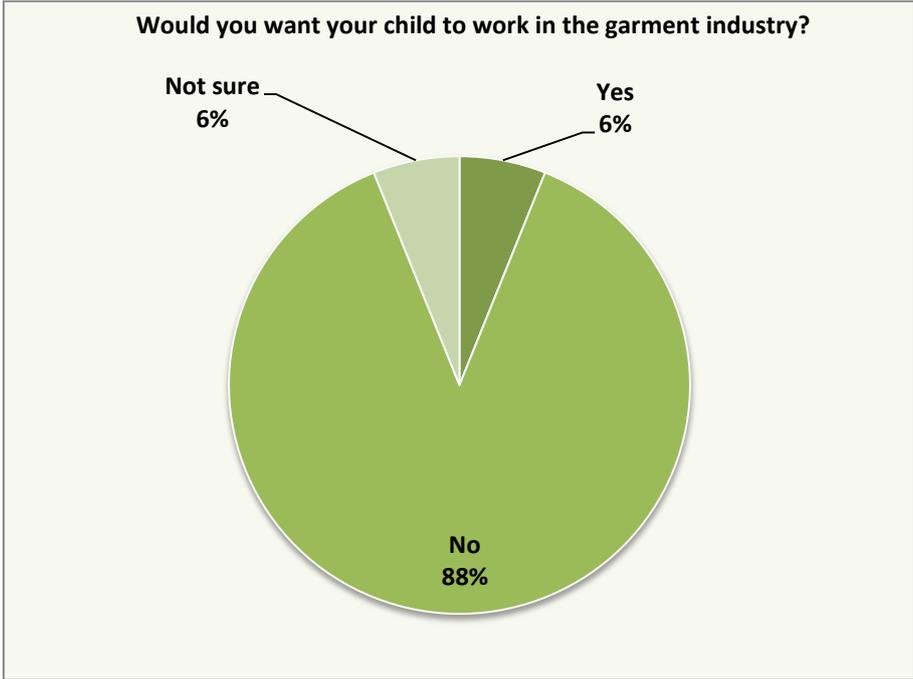
The reasons given for preferring this new work over their former RMG job were (in order of the number of times cited): better wages, better working conditions, better benefits and fewer hours/less overtime. Nine respondents mentioned that they had less stress and no harassment in their current job. More than two-thirds stated they “didn’t like” work in the garment industry. They gave a range of reasons for having left it: poor wages (most common reason, cited by 32/51 interviewees), high production targets (17), bad treatment (17), poor relationship with management (15), and the impossibility of taking leave (15).

**Figure 3: Reasons for thinking of leaving the garment industry**



Perhaps the most telling question regarding workers’ overall perception of their work was the very last one in the questionnaire – “Would you want your child to work in the garment industry?” The answer was a resounding “No” (88% of current workers and 86% of former workers). Among both groups, the predominant reason given was that they had higher educational aspirations for their child/children, followed by the poor wages and working conditions in the sector. Six former workers cited “lack of respect” as a reason.

**Figure 4: Workers' aspirations for their children**



Overall, a picture emerges of a workforce, comprising both women and men, which enters and remains in the garment sector largely because of the perceived lack of better income-earning alternatives. Despite a rather high level of dissatisfaction with the pay, working conditions and production targets, workers tend to stay in the sector for quite a long time, most between 3 and 10 years, generally changing factories at least once during this period. Once working, they experience virtually zero job mobility, and think often of leaving. They tend not to enjoy good relations with their managers. Among those who say they “like” the work – who still represent the majority of current workers, but a minority of former workers - the reasons mostly concern the non-wage aspects, such as proximity to home and good benefits and amenities. But a significant minority do not like working in the sector and almost everyone pronounces that they would not wish their children to take up this kind of work, and aspires to better work for the next generation.

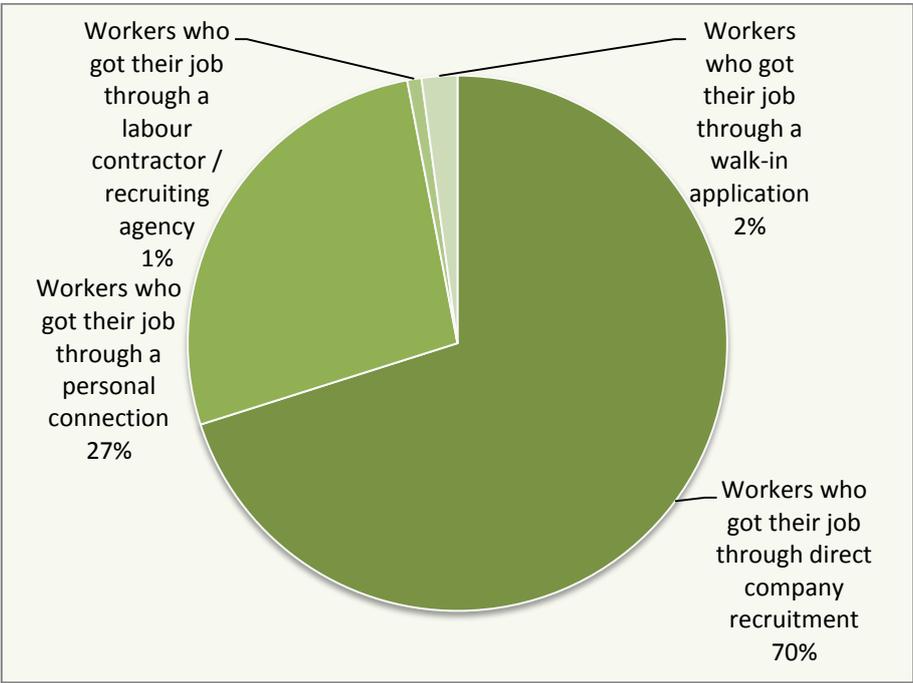
### **3.3 Looking for indicators of exploitation and coercion in the garment sector**

As explained earlier, coercion, deception and exploitation can take place during the worker’s recruitment process, during their period of employment or when they wish to leave the job. We examine each stage in turn in the following sections. Findings in this part of the report are drawn from both the quantitative (workers) and qualitative (other stakeholders) surveys.

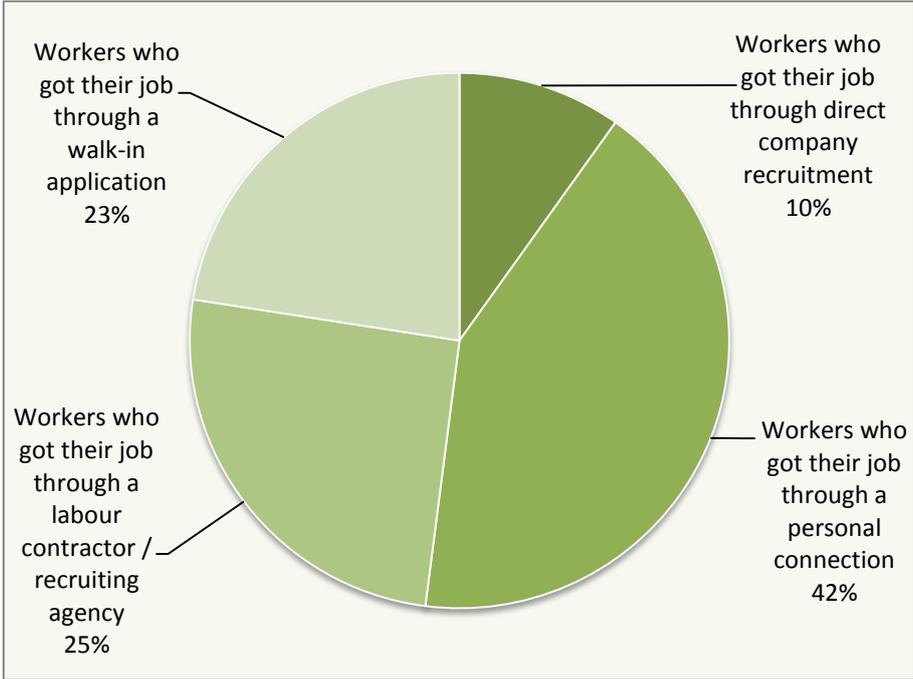
### A. Recruitment of workers

Among current workers overall, direct recruitment by the company was the most common means of recruitment (43%), followed by personal connections (32%). Eleven per cent of current workers used labour contractors or recruitment agents to get their job, while walk-in applications accounted for 10%. A similar pattern was found among the former workers. However, there were marked differences between the north and south. For example, while in the south, the use of labour contractors was almost unheard of (reported by only 1% of interviewees), in the north it was much more common – used by one quarter of the sample.

**Figure 5: Means of worker recruitment in the south**



**Figure 6: Means of worker recruitment in the north**



The use of labour contractors can be associated with forced and bonded labour when, for example, inflated recruitment fees are charged to the worker or there is complicity between the employer and the contractor to deceive the worker. “Disguised” (or triangular) employment relationships - which can occur with some labour contracting arrangements - can also be associated with exploitation when, for example, they are used to deny a worker his or her rights to social security or are accompanied by wage deductions to cover initial placement fees. This is especially the case regarding migrant workers who may be highly dependent on the contractor or agent for assistance in arranging the job, transportation, accommodation etc., when the place of work is far from his or her place of origin/residence.

Questions were not included in the worker surveys seeking further details of recruitment practices and so no quantitative evidence is available regarding the possible incidence of deception or abuse at the recruitment stage. The only insight available from the worker survey is with respect to hours of work (see section B.ii). An overwhelming majority (four-fifths or more) of both current and former workers reported that they have to work more hours per day or days per week, on either an occasional or frequent basis, than was initially agreed with their employer when they were recruited. Less than one-fifth stated they never had to work more hours or days than initially agreed. There is thus some evidence of deception at the recruitment stage.

Some other insights into recruitment are available from qualitative interviews with other stakeholders. Labour contractors in the South said that RMG contracts were hard to come by in recent times. One contractor stated that, of the 50-100 people he sees daily looking for work, he screens for those who could work in the RMG sector by looking for those educated under 10<sup>th</sup> standard, who want money and are willing to work hard. The requirements of the

statutory Employee State Insurance (ESI) and Employers Provident Fund (EPF) contributions influence hiring practices in the RMG sector. Normally, a company in India has to start paying ESI and EPF within 15 days of hiring a new worker. However, in the RMG sector, according to one informant, manufacturers can delay payment of ESI and EPF for 6 months by employing workers directly, rather than through a labour contractor. Another practice mentioned is that of employers giving recruitment incentives to existing workers; for example, if a worker recruits a tailor who works for at least three months, the first worker will receive Rs. 500 commission. To attract more workers into the RMG sector, labour contractors believe that more facilities have to be provided, such as crèches, transportation, canteen, better wages, as well as attendance incentives.

According to one NGO, *“In North India, contractor licenses are easily obtainable... organized contractors are many. In the South, there are many individuals acting as unofficial agents, supplying workers from their native territories in blocks, committing 20-30 labourers at a time”*.

A government official mentioned that most workers brought in through contractors work on a piece-rate basis. A union official in the north noted that piece rates are very uncertain; the worker may be told one rate when hired, but paid at another rate when they actually complete the work.

Overall, then, some evidence of deception but no indication of coercion in the recruitment process emerged from this research.

## **B. The employment stage**

### ***i. Contracts***

The absence of a written contract of employment makes workers potentially more open to abuse, as there is no proof of the existence of an employment relationship and no record of the terms and conditions of employment promised and agreed upon. The quantitative survey revealed that only 38% of the current workers had received a written employment contract, and less than half of them fully or partially understood its content. A similar pattern was found among the former RMG workers.

NGOs in the South noted that while larger factories generally issue a short letter of employment, this happens only sometime after recruitment, once the factory management has seen that the worker has remained in the job. Moreover, there is no real job description or detailed terms and conditions and so workers do not really know what they are signing up for.

In the North, one manufacturer explained that workers are initially put on fixed term employment contracts of 7 months, taking into consideration the peak and off seasons, and these contracts are subsequently renewed for 7 months each time. This employer claimed

that around 40% of workers renew their contract at least once. Manufacturers in the South said that employees sign a contract on the day they join and are given a letter of appointment. New employees are on probation for 6 months after which they are considered to be a permanent employee. The probation period gives the manufacturer the opportunity to terminate the employment if there are disciplinary issues, in which case the worker is paid one month salary and requested to leave immediately.

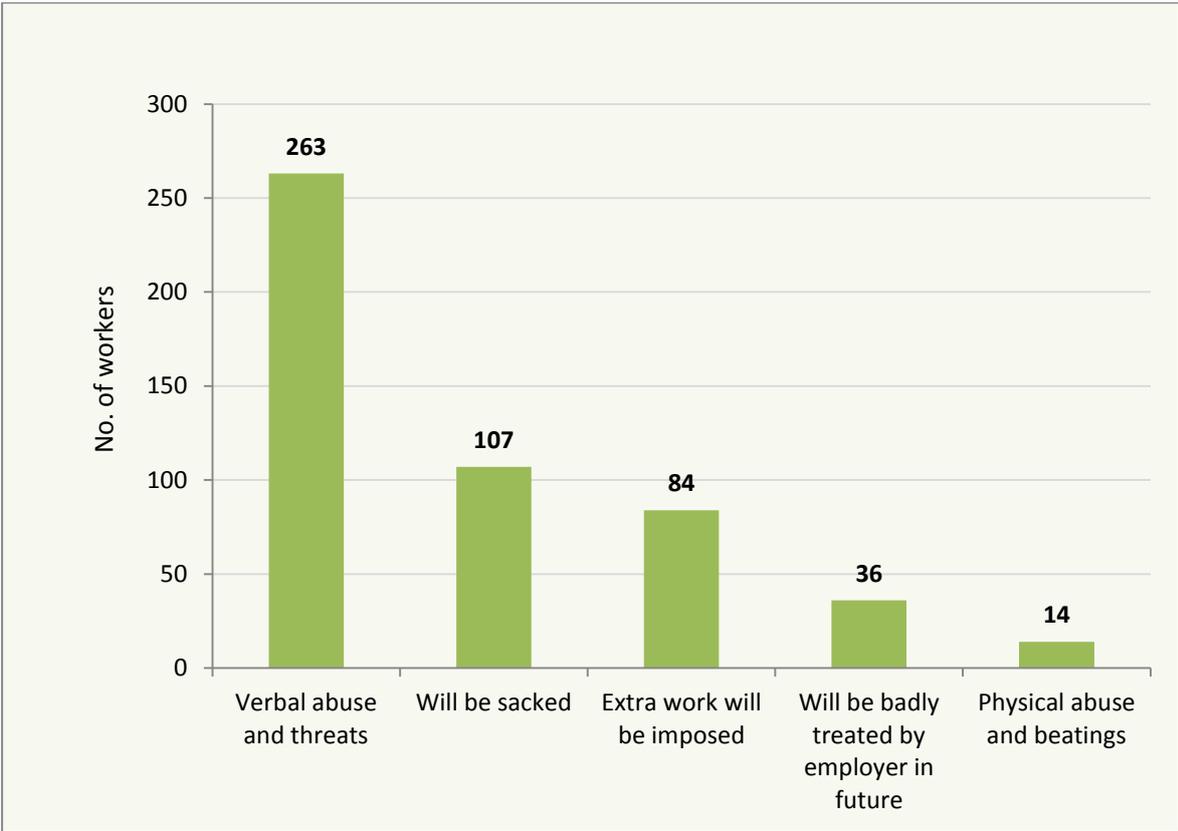
## *ii. Wages and working time*

Other indicators of possible forced labour practices relate to wages and hours – for example, excessively or disproportionately low pay, withheld wages, long hours which go beyond those allowed by national law, or involuntary overtime. Despite the lack of written contracts, wage payments were always or most often made “regularly and on time” for 87% of current workers interviewed; only 3% said they were hardly ever paid on time, and 10% were “sometimes” paid on time. A majority (69%) always received written pay slips, while the remainder received them only sometimes or never. Eighty per cent of current workers reported regular deductions from wages, but these were for social security, income tax or other statutory purposes.

Current RMG workers earned an average daily wage of Rs.213 and an average monthly rate of Rs. 5,480. The majority (89%) are on a fixed rate salary (per day, week or month) while the remainder are paid on a piece rate basis. Overtime was paid at double rate for 56% of respondents or pro-rata (25%).

For 80% of current workers, a 6 day working week was the norm, while 20% reported working 7 days a week. Three-quarters usually worked 8 hours per day, but the remainder (25%) worked more than 10 hours, including more than 12% who reported working 12 hours or more. A clear majority (79%) said that they were required by their employer to work more hours or days than was initially agreed, either on an occasional (41%) or regular (38%) basis. Two-thirds said they could not refuse to undertake this extra work. Production targets were fixed for 85% of current worker respondents. Reported overtime requirements were even higher among the former workers: 19 (out of 51) usually worked 10 hours or more per day, 48 sometimes or often had to work longer than initially agreed and 46 had fixed production targets to meet. The penalties for not meeting the targets or doing the required overtime were similar for both groups of workers, most commonly verbal abuse and threats from the supervisor or manager; physical abuse and beatings were much less common, but nonetheless present. Figure 6 shows the penalties reported by both groups of workers (current and former) combined. A minority of workers (17%) said they would not suffer any penalty or other consequence for failing to do the required work or overtime.

**Figure 7: Threats and penalties for not doing overtime or meeting production targets**



The picture that emerges is one of systematic long hours (60 hours per week being not uncommon) and production targets that have to be met. Coupled with the fact that high production targets were cited second only to low wages as a reason for thinking of leaving the sector, it seems that many workers are unhappy with the intensity of work they are required to perform. Given the reported widespread prevalence of verbal abuse and threats of being sacked as a “penalty” for refusing overtime or not meeting targets, there is a strong indication of forced labour conditions, at least for a proportion of the workforce.

Some manufacturers explained that overtime is mainly limited to peak production periods with much less overtime required in the low season. One southern manufacturer lets 40% of the migrant workers go home for two months during the low season, which he maintains the workers appreciate but that “*regulations on work hours do not recognise these realities*”. One human resources representative admitted that “*some managers force workers to complete targets. Workers are made to punch their cards [for the end of the day] and then continue work after hours.*”

Manufacturers claimed they pay double for overtime as per the law or provide compensatory time off. Two manufacturers in the South mentioned audits by brands and their strict code of conduct that requires total transparency in paying OT and benefits. But others admitted that practices are not always compliant, for example with regard to piece-rate workers who are recorded as being salaried, and compensatory leave not being given

within 3 days but accumulated to be given only during idle times/low season. One manufacturer shared openly *“If I showed you all the overtime I have on the ledger, I would be prosecuted under Indian law. ILO says 60 hours a month, with no distinction between the sexes. Karnataka allows 16 hours per month (OT) for male workers, we show this on record. The government officials may suspect there is more, but tend to close their eyes.... I am not at all transparent with third party auditors. It is a tiring, complicated, and non-value-adding game we are playing. Section 66 of the Factories Act should be amended to allow women to work overtime.”*

Manufacturers in both North and South say that their migrant workers want to work 10-12 hours per day, and that these workers look forward to overtime and would quit if they were not given it. Local workers, however, do not want overtime as they can manage on the lower salary. Overtime is unevenly distributed across the different roles in the factory; one respondent indicated that the highest overtime pressure is experienced by finishers, packers and loaders.

As there is little scope for negotiation over wage levels, workers’ only option to increase their income is through overtime and also by avoiding deductions when they can. One government official in the north explained *“Migrant workers who are away from their homes want to earn as much as they can, as fast as they can, even at the expense of their health. There is no leisure activity for these workers; if they have spare time, they’ll spend money on a movie, drinking, or gambling”*. Moreover, claimed the same informant *“Workers look for factories where statutory deductions like ESI and EPF will not be withdrawn from their earnings – they can’t take advantage of these benefits and would rather have the cash. Workers will ask at the office gate if deductions are compulsory –will look for employers where deductions are negotiable. To get around this, employers will pay the deductions from their own pockets, not from workers’ earnings.”*

Some southern NGOs and trade unions drew attention to the practice of forced overtime without pay, colloquially referred to as “OC”, where workers have to work extra hours simply to meet their targets, while their children stay unattended outside. Another NGO noted that production pressure obliges workers to do overtime in the evenings and at weekends. Production pressures also lead to workers reducing their break times: *“Workers only use 10-15 minutes out of lunch time. If a worker is late, she has to stand outside for a half hour; the production manager comes outside, questions her; her mind is broken for production”*.

Thus, worker overtime appears to be integral to the functioning of the garment factories, and something that workers are not in a position to refuse, should they so wish. The combination of involuntary and sometimes unpaid overtime, pressure to meet production targets and regular verbal abuse or threats of sacking by supervisors and

managers, points to a picture of “work under duress” and a possible situation of forced labour.

### *iii Leave*

Less than half (46%) of current workers interviewed had taken paid leave in the last 12 months.<sup>5</sup> Those who did not take leave say they are not entitled to it (71%) or fear losing their jobs if they did (8%). A similar pattern was observed among the former workers.

The absence of standards and procedures for taking leave contributes to high staff turnover. A trade union official in the north explained that *“workers can’t afford to ask for leave; it’s unpaid leave, even when they get it. So if you have nothing to look forward to, you leave during festivals and for family issues. The notion of taking earned leave ... doesn’t exist in the factories. So the only way that workers can take leave is by quitting.”* Another union official in the south noted that workers are not allowed back into the factory if they are absent for 4 or 5 days.

A government official similarly pointed out that during festival times such as Holi and Diwali, migrant workers leave to harvest wheat and to celebrate in their native villages, effectively resigning and asking their employers for their salary to be settled in full prior to leaving; upon their return, they may or may not re-join the same factory.

Whilst the absence of paid leave does not in itself constitute an indicator of forced labour, it is a violation of Indian labour law (Sections 78/79/80 (Chapter VIII) of Factories Act, 1948). However, if the taking of leave is used by employers to threaten workers with dismissal or other sanctions, then this would amount to an indicator of forced labour (menace of a penalty).

### *iv. Other benefits*

Many current workers access benefits from their employer such as Employees’ State Insurance (ESI) and Employees’ Provident Fund (EPF) (79% each) and on-site health care (51%). Other benefits are less widely available – such as paid annual leave (22%), on-site child care (7%) maternity leave and paid sick leave (9% each).

Some trade union informants maintained the EPF system is abused. For example, employers can insist their workers quit to avoid paying out higher amounts of EPF due when they stay longer in the company. The same worker will then be re-hired using a new ID card. There is also the issue of “wage theft” when the employer deducts EPF from the wages but

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<sup>5</sup> An inconsistency is noted between the figure of 46% of current workers saying they had taken paid leave in the prior 12 months and responses reported in section iv. below, where it is stated that only 22% of current workers reported being entitled to take paid annual leave. This could be due to errors in survey administration, possibly the exclusion of the word “paid” in the question. The figure of 46% does appear on the high side in the light of other findings of the survey.

does not deposit it into the worker's account. As noted above, one government official stated that workers actually prefer factories where statutory deductions like ESI and EPF are not withdrawn from their earnings, as they cannot access these benefits in practice and would prefer to take the cash instead.

The benefits provided to workers that were listed by the manufacturer informants included separate toilets for men and women, subsidized meals, crèche, subsidized transport, good infrastructure such as ventilation and good quality personal protection equipment, on-site medical facilities, a rest room for the sick, as well as cultural activities and an annual sports day. Some union officials claimed the law and its requirements are not always followed; for example, *“the law requires a crèche, but you’ll see a factory with 4-500 workers and you will not see a crèche.”*

As with leave, the lack of facilities or benefits does not in itself constitute an indicator of forced labour. It would only constitute this if the employer deliberately manipulated such entitlements in order to exact work against the worker's free choice. Evidence from the quantitative survey seems to show that most workers are registered for the ESI and EPF. However, there are no data about the one-fifth of workers who said they do not enjoy these entitlements.

#### **v. Freedom of movement**

Restrictions on freedom of movement point to forced labour when the intention is to keep the workers at the worksite by physically preventing them from leaving. In extreme cases, this can, for example, be through the use of armed guards or locked premises. Even when forced labour is not the principal purpose, such restrictions represent a violation of human rights and also a threat to workers' safety and health.

None of the worker respondents in the survey reported living in an employer-provided hostel. Having their own (rented) accommodation clearly gives workers a degree of autonomy and independence they would not enjoy if living in employer-provided quarters on-site. However, the restricted movement of migrant workers in employer-provided accommodation in other garment-producing areas was noted by several trade unions and NGOs. According to them, workers staying in hostels can at times be forced to stay against their will, and on others be forced to leave against their will. NGOs also spoke of quasi-governmental schemes in the south to recruit rural workers from traditionally underprivileged backgrounds in order to provide them with training and work experience. Once these workers get accustomed to the work, the production pressure increases and salaries are typically reduced. The workers are also reportedly confined in hostel accommodation. Unhappy with the situation, they tend to resign early. Every 2-3 months, entire groups can end up leaving the factory at once, when they can no longer put up with the working conditions.

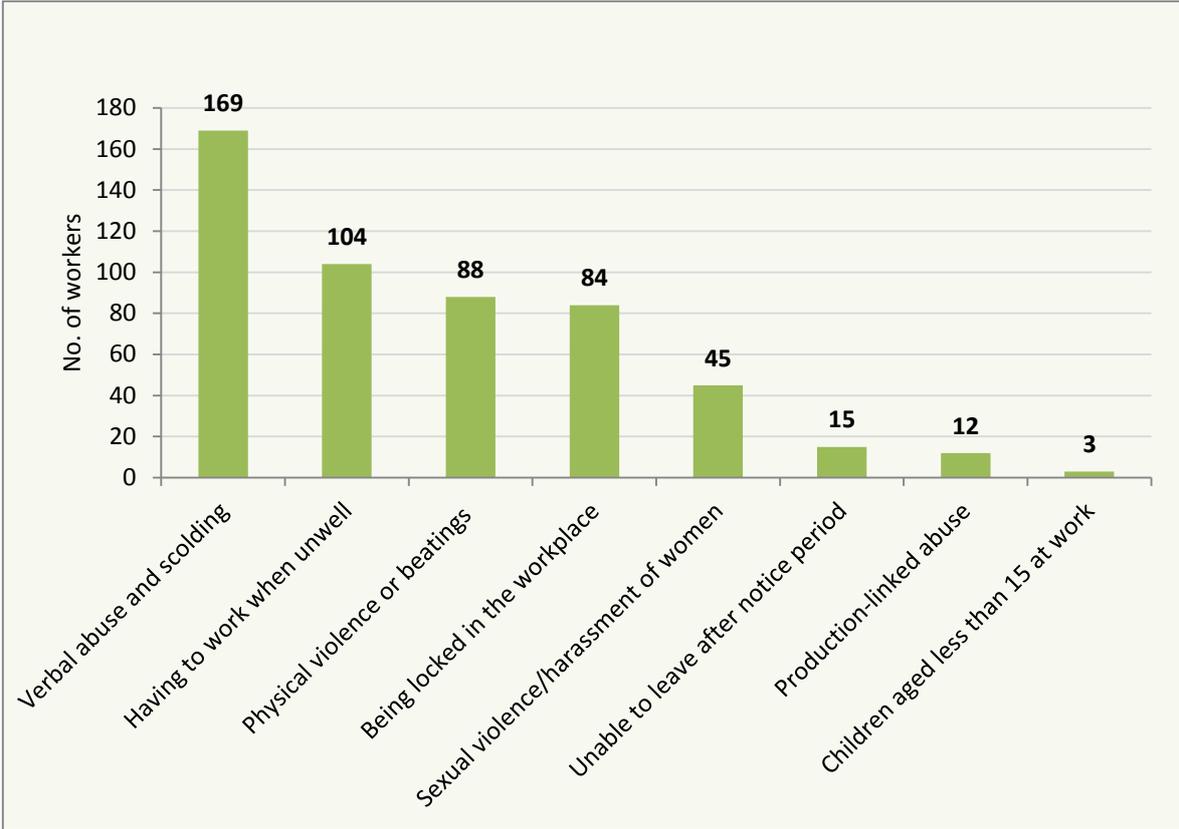
One government official in the North claimed that employers have been known to lock their factories, making it “*seem like there’s no activity, [but in reality] the workers are inside working, and there’s a fire*”. Tragedies involving significant loss of life in garment factories elsewhere in the region have received widespread media attention and given new impetus to putting in place essential occupational safety and health measures in garment factories, but much less to examining the possible forced labour implications of such practices. As discussed later, locking workers in factory premises shockingly does not appear to be a particularly rare occurrence.

#### **vi. Threats, abuses and penalties at work**

Imposition of penalties and the threat of penalties are the principal means by which an employer, manager or supervisor can force a worker to undertake work against her or his will. These threats and penalties can take many forms, whether physical, psychological, sexual, social or financial/economic. Some are overt and explicit; others more subtle and implicit.

Only one-fifth of all the current workers surveyed said they have never seen or heard about any threats or abuses in their current factory; so the remaining four-fifths presumably have. Verbal abuse, use of bad and insulting language and scolding was the most commonly reported problem (cited by 169 workers), followed by being forced to work when unwell (104). Physical violence, beatings or having pieces of cloth thrown at them was reported by 88 workers, with 84 saying they had witnessed or been locked in the workplace. Sexual violence or harassment of women was reported by 45 respondents (10% of all workers but 17% of women). Workers tended to report having heard about rather fewer such violations in factories other than their own, with the notable exception of physical violence or beatings which were reported “in other factories” by a higher number of worker respondents. These data indicate a highly prevalent culture of gross mistreatment of workers by their supervisors/managers, representing violation of the most basic human rights and pointing to probable forced labour problems, alongside sex-based discrimination, health and safety issues, and an absence of respect and dignity for workers.

**Figure 8: Threats and penalties witnessed in current factory of employment**



More in-depth research would be required to investigate these alleged serious problems further. The question asked only whether such violations had been “seen or heard about”, and not whether the worker had been subject to such treatment her- or himself. Therefore, it is possible that the findings over-state the actual prevalence of the violations, as several different respondents might be referring to the same instance of abuse in the same workplace. Nonetheless, they show clearly that a majority of workers deem at least some of these violations to occur. Similar results were found among former workers, of whom only 4 out of 51 said they had never witnessed such abuses in their own factory. The most commonly reported abuses were sexual harassment of women, physical violence and being forced to work when unwell.

A trade union respondent in the qualitative survey in the south explained the prevalence of abusive practices to be the result of unprofessional supervisors and the failure of human resources management. He said that supervisors, production managers and floor in-charges are often poorly educated, perhaps having only a 5<sup>th</sup> standard schooling, and “as they were hit as students, so they do the same to workers on the shop floor”. The same respondent maintained that “management has found other ways to force workers to leave: they increase production targets, harass the workers and make conditions so bad that the worker leaves on her own.” This could be seen as a mirror image of forced labour – forced resignation, in order (presumably) to deny workers accumulated rights and entitlements, particularly in the low production season.

A government official in the South echoed this analysis, claiming that uneducated supervisors benefit from staff turnover, by gaining extra income from recruitment of new workers, who will also be cheaper [as they will not be entitled to employee severance benefits]. Management, he maintained, does not discipline the supervisors because the latter have the power to take workers with them if they leave the company.

In the South, where more women participate in the labour force, NGOs noted complaints of sexual harassment, particularly amongst migrant women who stay in hostels. These women often face restriction of movement in the hostels and have to work long hours with their salaries withheld. In the North, an NGO representative said that cases of sexual harassment were relatively rare and that complaints of verbal abuse, and the “culture” of the sector that targets the self-esteem of the worker, were more common.

Employer informants in the South spoke of dealing with verbal aggression between workers and supervisors, complaints about affairs between workers and supervisors, and of forced work and forced overtime. Although manufacturers admit they have come across instances of harassment and abuse of adult workers, they insist that they “*have nothing to do with child labour*”.

#### **vii. Child labour**

Only a very small minority of current and former workers interviewed had seen or heard about children aged less than 15 working in the factories (less than 1%).

A government official in the North claimed that there is no child labour in this region because of the risk involved for manufacturers if this were to be discovered by buyers or the government. The changing legal definitions of child labour, however, risk bringing more children generally into the category of child labourers: “*Before, there were forty jobs that were restricted for children. Now there are seventy. Parliament is soon to pass legislation that all children of age 14 and under cannot work – as a result, more kids will fall under the category of child labour*”.

A southern government representative explained that if child labour still exists at all in the sector, it would be in homes, doing subcontracted work like beading. Likewise in the North, an official informed that child labour is not a problem in the registered factories, but may exist in the slum and home-based production units.

Trade union officials in general agreed that child labour was not a major problem in the sector. However, one union official ventured that even though factories sometimes employ children during school holidays, this is only on an irregular basis. Another claimed that “*child labour exists, but we can’t blame the factories for this. The workers themselves are causing the problem – they produce fake ID cards and birth certificates for neighbours and family members. A big problem is there, but identifying who the children are can be very difficult*”. This union official explained that if something happens to the child and they have to stop

working, the family cannot collect the Providence Fund or any other provision, because their documents were falsified.

### **C. Leaving the job**

All of the current, and most of the former, workers interviewed said they were free to leave their employer when they wanted, or after a specified notice period. The most usual notice period cited was 4 weeks.

NGO and trade union representatives agreed that workers are generally free to leave their job if they so wish. A manufacturer informant in the North asserted that some manufacturers discourage workers from leaving due to personal problems and/or grievances. But as was discussed above, other informants maintained that some supervisors deliberately make working conditions unbearable so that workers have little choice but to leave.

According to one trade union informant, there are instances of refusal of resignations, especially in periods of high production demands. In practice, this means that workers are not given a final settlement, and must continue to work if they want to receive all outstanding payment. If a worker resigns, there is a series of administrative hurdles to overcome in order to get the final settlement. NGOs also highlighted that, on occasion, workers are forced to stay in a job when the employer does not pay them their full salary.

In general, however, there does not appear to be a significant issue of workers being unable to quit their employment due to employer coercion, which is altogether consistent with the assessment that the industry suffers from problems of labour retention and staff turnover.



## 4. Enforcement, grievances and worker representation

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In this section, we first briefly review how factories are inspected and audited, and how workers can lodge complaints about abusive treatment and seek remedy; and the extent to which workers are able to act collectively in support of their rights.

### 4.1 Law enforcement, factory inspections and private audits

The Ministry of Labour and Employment (MOLE) and the labour department are engaged with RMG factories with respect to industrial relations and detecting and responding to violations of labour law. Various opinions were voiced as to their effectiveness in fulfilling this role.

The majority of worker complaints received by the labour department are reportedly concerned with final payments at the end of a worker's tenure and claims they have been forcibly removed. One official claims that it is difficult to assess the legitimacy of such worker allegations, as the employer claims that the worker left voluntarily so as to claim a lump sum settlement. A government official explained: *"[When a worker leaves] the employer pays full and final dues and has the worker sign the EPF withdrawal form. From the employer perspective, it's the severance of the relationship; the worker is no longer on the rolls. If the worker comes back to the factory, the employer re-hires him as a new employee. The employee therefore must start from the beginning in the accumulation of severance benefits. But from the worker's perspective... if he comes back after a few weeks to work in the same factory, he thinks the employer should regard him as a continuing employee"*.

In terms of enforcing the minimum wage, one government official claimed: *"I have yet to see a serious complaint about the minimum wage not being paid. It's not possible that workers wouldn't get minimum wage. There are cases of piece rate workers trying to get a higher rate, it's typical that workers will try to blackmail an employer as a group"*. On the other hand, another official in the South lamented, *"Manufacturers raise hue and cry that we harass employers, however some interventions [of the labour department] boomerang on workers, e.g., I enforce minimum wage – identify workers who have not been paid minimum wage and serve the establishment notice to pay them. In a month I return to the establishment, and those workers have been chased away"*.

According to the government respondents, issues of unfair dismissal, verbal or sexual harassment or physical violence are rarely reported. In the North, one official claimed that complaints are hardly made about the working conditions in the RMG factories, and workers know that conditions are far tougher in the agriculture sector. This class of worker - male

and migrant - it was said, has a high level of tolerance, and unless the seriousness of violations crosses a certain threshold and a movement starts up, the workers generally tend to let things go. In the South, the number of incidents reported to the labour department was also reportedly low according to a government official. It was explained that *“those things are there, but they go unnoticed”*. The workers don't want to complain as they fear getting a bad reference and being unable to secure employment elsewhere.

NGOs protested that labour inspectors come to the factory only if a worker complains, and the worker has to muster up the courage first to go to the labour department. They argued that the role and scope of public labour inspections has reduced, and private inspection regimes are becoming more visible. Moreover, they say, the government lacks leverage with the export-oriented companies, who listen only to their western buyers. There were some complaints from NGOs that private auditors are less effective in detecting and addressing compliance problems because they give advance notice to the factories which then cover-up the problems. NGOs also pointed out that only those workers holding legal documents, such as an employment contract, can seek redress through the labour courts (to recover unpaid wages, for example), but most of the workers don't have any such formal documentation.

While some manufacturers found labour department inspections useful, others claimed that too much was left at the discretion of inspectors, who are prone to solicit bribes from the employers. Private auditors can be more honest, *“but what some of these social organisations like SA8000 are asking for [in terms of compliance] would preclude running any factory at all!”* complained one manufacturer. For some manufacturers *“compliance is managed, not met. Brands need business, our company needs business. So they are flexible – they can't be rigid.”*

## 4.2 Grievance mechanisms

Workers were asked what they could do if they had a complaint or problem at the factory. The vast majority (83%) said they would go either to their Human Resources Department or to their supervisor. Just less than 10% said they could not do anything and 3% did not know what they could do. Most of the former workers (34/49) would go to their supervisor.

According to the manufacturers interviewed, there exist a wide range of complaints mechanisms - Human Resources, designated welfare officers, workers' committees, complaint or suggestion boxes, hotline and open door policies of management. According to one manufacturer in the South, there is, however, a tendency for supervisors to discourage workers from raising their problems. As a response, the employer encouraged workers to approach the management during lunch breaks, and made someone [from HR] available at all times to hear the workers' concerns.

Trade unions see the situation differently. One union official in the north claimed *“there is no factory that has a grievance mechanism that a worker can use. [...] When workers reach a high level of stress and can’t take it anymore, they talk to their supervisor. Then everything goes haywire. The supervisor could abuse, ridicule or fire the worker”*. Moreover, power and gender relations influence how complaints are dealt with. A labour contractor from the South explained that *“there’s a ‘man’ problem in the garment sector, with the supervisors – they will harass the [female] workers. If a girl has a problem, she cannot tell the supervisor; if she wants a leave day, he will question her.”*

**Figure 9: Means of making a complaint**



Another contractor from the South alleged that *“management will tie up with the union leader and pay him off to shut up and drop the issue”*. In the absence of unions, *“workers speak with Human Resources; if HR does not respond, they will come to a local leader for support. The local leader will speak to management and make sure that what labour demands, they get. When people who are politically connected go to management, management is afraid; such local leaders can get a response, and so they get the votes of all the workers in the factory”*.

NGOs identified problems with the informal arrangements in place, such as workers’ representatives who are not elected. In the South, one NGO claimed *“these workers are just informers, they give information about what’s brewing. They are [...] individuals who management has identified as being pliable; they get preferential treatment so that they will continue to talk. As such, they are distrusted ...”* This NGO representative believes that the workers finally resort to seeking assistance from the underworld (to the *gundas* [hired thugs/criminals]) and fringe groups; but employers often end up paying off these groups with bribes.

Another southern NGO added that the close relationship between supervisors in different factories means that women who complain in one factory may be denied work in others. But, now that there are many more factories, women are now able and ready to move to factories where their current supervisors do not have relationships. While previously employees were afraid to bring their problems directly to their employer because of harassment, now, because of trade union help, the workers are boldly going to their employer to make demands. For example, *“All the factories [in B...] know that there is a union, employers are scared and as a result, they do not ask employees to leave their job immediately [when there is a problem]”*.

Conversely, according to NGOs, workers' access to formal and informal mechanisms to report grievances is still weak. *“Although factory management says ‘we are a family’ and we address things together, nothing is very well documented in writing. Workers are vulnerable because they are contract workers, and can lose their jobs at any time, so they do not complain because they are scared of repercussions”* said a northern NGO.

### 4.3 Worker representation

There is very limited worker representation at factory level. Only 23% (or one in four) of current workers interviewed were aware of a functional workers' committee or trade union at the workplace. The proportion among former workers was lower still, one in ten. Membership of these organizations was reported by 11% of the current workers and none of the former workers.

A government informant talked about the existence in some factories of Workers' Committees, Redress Committees and Sexual Harassment Committees; the same official said that *“wherever unions are there, the workers are using these mechanisms”*. A labour contractor also affirmed that workers can report their grievances to different worker committees.

According to the manufacturers, the Committees have chosen representatives and settle issues as a group, with quarterly meetings, minutes and postings on the notice board of how the issues raised have been resolved. A manufacturer informed that there is one Workers Committee with approximately 45 members per factory, and there is no formal rotation of membership. One company's Prevention of Sexual Harassment Committee included one external person such as an NGO representative or a doctor. Problems are usually resolved at the factory level, or go higher if necessary. But, according to one NGO representative, in reality, the internal so-called committees are a sham without regular meetings or meeting minutes taken.

A labour contractor from the South expressed his view that manufacturers in the sector refuse to work with the union, and that there is no collaboration amongst workers. He attributed this to the fact that workers do not stay long in the industry and that there is no

time for collective strength to be built up; most workers just want to earn their money and move on.

A union official in the South highlighted the difficulties of organizing piece rate workers given that they are not “regular” employees. Nonetheless, workers do approach trade unions with their problems. But in doing this *“the worker needs a lot of courage, because he has to expose himself”*. Among the union representatives interviewed, union membership ranged from 4,000 workers with outreach to 10-20,000 workers (in the north); 7-8,000 of the 700,000 RMG workers in Bangalore; and membership of around 6,000 workers (85-90% women) with outreach to more than 50,000 (also in the south). Unions struggle to attract members, in an industry where there is significant anti-union sentiment and workers fear joining a union. One southern official noted: *“Many workers are not willing to pay for membership; they come to us when they are in trouble, but after they don’t want membership”*. Another lamented *“We can fight through the court of law. We can raise a dispute, e.g., regarding payment or statutory provisions. But it’s a futile exercise. No one comes [to the courts] to represent the [company] management!”*

Another struggle for unions is to gain recognition and have constructive dialogue with the factory management. In the North, a union officer complained that *“There is not a single management who has recognized our union....The only focus of management is how to keep the union out, and no thinking being put into constructive solutions”*. A similar complaint was raised in the south *“In company [...] the majority of workers are union members. We wrote a letter [for recognition of the union] but there was no response. The company started creating a lot of problems for the union members – hiring, firing, harassment, unfair promotion, discrimination, gundas – and eventually broke the union.... We have taken the issue to the brand level”*.

By contrast, some manufacturers maintained that union activity across the industry has no respect from workers. One manufacturer asserted *“Unions have failed – they don’t have membership. It’s more of hooliganism and corruption rather than presenting workers’ real issues”*. Another claimed that workers in his factory had chosen not to engage with trade unions, although that option was open to them. In the South, there is a belief amongst manufacturers that, so long as they pay minimum wages and give due benefits, there is no need for trade unions in the RMG sector. Most believe that their current method of managing employee grievances is adequate and that their worker committees function well; they prefer to avoid unions because of their political affiliations.



## 5. Perspectives of other stakeholders on labour turnover

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At the start of this paper, we examined workers' own perspectives on their work in the garment sector, derived from analysis of the quantitative survey data. The qualitative survey sought to gather other stakeholders' perspectives on working conditions in the sector, whether high turnover was really an issue and if so, the reasons behind it. They were not asked specifically about forced labour.

Unsurprisingly, different opinions were voiced regarding these questions. Some government officials believed that the outflow of garment workers to other industries was very limited, due to the fact that workers have specialised skills that are not easily transferable, particularly those of migrant workers, such as embroidery, that have been handed down over generations. Another official argued that workers do not often leave a factory because of poor working conditions. As export units are obliged to meet minimum compliance standards, and because buyers quickly take their business elsewhere if conditions do not comply, this ensures the working conditions are of a high standard. Moreover, the employability of garment workers is generally high within the industry and area, so many will simply leave the factory for another one, if there is a problem. A labour contractor in the South similarly claimed *"very few workers leave the factory because they don't like the conditions. There are a few who say that, but the numbers are not very high, because they are earning well"*. Likewise, some southern manufacturers claimed workers did not leave for issues of working conditions.

Yet, stakeholders acknowledge the existence of certain problems in the sector, which lead to workers not wishing to join it in the first place, switching factories once or more often, or moving on to work in a different sector after a while. The list of problems is long, and there was in fact a lot of commonality in the issues expressed by the different stakeholder groups (with the exception of manufacturers in some areas). In Tables 2 and 3, the reasons/problems advanced by the non-manufacturer stakeholders are presented, followed by those suggested by manufacturers.

Reasons can be broadly classified into three groups – first, those relating to conditions either in the particular factory or more generally in the garment sector as a whole ("internal" reasons); second, those relating to aspects of life and work outside the factory walls ("external" reasons); and third, those concerning the individual, personal characteristics or circumstances of the worker her- or himself ("personal" reasons). They are presented separately in the tables below, with an indication of the stakeholder group or groups representative(s) which expressed that view.

**Table 2: Reasons given by government, trade union, labour contractor and NGO representatives for why workers leave, or do not join, the RMG factory or industry**

Category of issue	Detail of issue	Cited by which stakeholder group representative(s) <sup>6</sup>
<b>A. FACTORS “INTERNAL” TO FACTORY/INDUSTRY</b>		
<b>Wages</b>	<ul style="list-style-type: none"> <li>- low wage levels including not attaining the minimum wage</li> <li>- “factory hopping” for better pay</li> <li>- not being able to save enough</li> <li>- unpaid salary</li> <li>- wage discrimination in favour of new workers</li> <li>- problems with wage payments</li> </ul>	<p>NNGO, SNGO</p> <p>SLC</p> <p>SLC</p> <p>SG</p> <p>STU</p> <p>NTU</p>
<b>Overtime</b>	<ul style="list-style-type: none"> <li>- overtime paid at single rate</li> <li>- workers will move to another factory for overtime even at illegal single rate</li> <li>- worker not getting as much work as he wants or not getting any OT</li> <li>- unpaid overtime</li> <li>- ‘free work’ or unpaid forced overtime for women</li> </ul>	<p>NG, NNGO, NTU</p> <p>NLC</p> <p>NG, SG</p> <p>SLC</p>
<b>Management and supervisory practices</b>	<ul style="list-style-type: none"> <li>- poor management and supervisory practices give industry a bad reputation and impact worker self-esteem</li> <li>- supervisors’ lack of professionalism including harassment and abuse</li> <li>- workers not being allowed to raise grievances with higher management</li> </ul>	<p>SG</p> <p>NTU, NNGO, SNGO, SLC, STU</p> <p>SNGO</p>
<b>Safety and health concerns</b>	<ul style="list-style-type: none"> <li>- having to stand for long periods</li> <li>- standing or sitting for long periods in the same position and related health effects (backache, spondylitis, Achilles heel and eyesight problems) - exposure to excess heat</li> <li>- older workers’ physical and psychological framework breaks down after such abusive work for so long</li> </ul>	<p>SG</p> <p>SG</p> <p>SLC, NTU</p>
<b>Hours, pressure of work</b>	<ul style="list-style-type: none"> <li>- long working hours</li> <li>- pressure to meet targets</li> </ul>	<p>SG</p> <p>SG</p>

<sup>6</sup> NG = northern government; NNTU = northern trade union; NNGO = northern NGO representative; NLC = northern labour contractor; SG = southern government representative etc. A single or several respondents from the same group may have given the response, when the group is mentioned.

<b>and meeting targets</b>	<ul style="list-style-type: none"> <li>- setting of arbitrary production targets that create high pressure and stress, often due to fact that company pays an incentive to production managers</li> <li>- older workers struggle to meet production targets</li> </ul>	NTU, STU, SNGO, SLC  STU
<b>Benefits-related</b>	<ul style="list-style-type: none"> <li>- workers often quit their current factory, collect their EPF to repay debt, and then rejoin same factory or go to work in another factory with better pay</li> <li>- because gratuity accumulates year-on-year, companies encourage enrolling the workers afresh after 5 years to keep costs down</li> <li>- abuse of EPF and wage theft</li> <li>- to avoid EPF deductions</li> </ul>	NTU, STU  STU  NTU NNGO
<b>Contracts and leave-related</b>	<ul style="list-style-type: none"> <li>- forced turnover and illegal terminations</li> <li>- loss of regular employment after taking longer breaks during festivals</li> <li>- lack of respect for workers' leave</li> <li>- being contract worker for many years without getting permanent job</li> <li>- no job security</li> </ul>	NNGO  NNGO, SNGO  NTU NNGO  SLC
<b>Workplace amenities</b>	<ul style="list-style-type: none"> <li>- lack of health care and other facilities like transportation, recreation and uniforms</li> </ul>	SG
<b>Future prospects of company</b>	<ul style="list-style-type: none"> <li>- if employees come to know this company is not doing well (e.g. they see a consignment has not gone out, and see it piling up) they leave for somewhere else</li> </ul>	STU

## B. FACTORS “EXTERNAL” TO FACTORY/INDUSTRY

<b>Cost of living</b>	- high cost of urban living	SG, SNGO
<b>Other income-earning opportunities</b>	- government social welfare schemes such as NREGA <sup>7</sup>	NG, NNGO, NTU, SG
	- opening up of alternative employment for women in the last 5-6 years	SG
	- increase of work opportunities in other growing sectors	SNGO, SLC
	- begin their own tailoring or other business	SLC

## C. “PERSONAL” FACTORS

<b>Life-cycle events</b>	- family obligations such as funerals, weddings or if someone is unwell	NLC, SLC
	- marriage	SG, SLC, NLC
	- family relocation	SG
	- older workers (33-40 years) leave to move permanently back home to take care of their families and homes	NTU, STU
	- women leave during late pregnancy for childbirth	NNGO, NG, SNGO, SG
	- women leave due to deteriorating health because of poor nutrition in pregnancy	SNGO
	- women not returning until the child is 3-4 years old	SNGO
	- women leave during lactation periods	SG
<b>Aspirations and goals</b>	- desire for further education and upward mobility	SG
	- workers have built resume and want to move on	SLC
	- initial short-term aspiration to make money and return home	NG
	- reached savings target	SLC
<b>Other</b>	- simple desire to visit home	NLC
	- social stigma about presumed sexual exploitation of women working in RMG factories	SNGO
	- workers who experience violence through unionization processes struggle to keep a job	NTU

<sup>7</sup> The Mahatma Gandhi National Rural Employment Guarantee Act (NREGA) aims at enhancing the livelihood security of people in rural areas by guaranteeing a hundred days of wage-employment in a financial year to a rural household whose adult members volunteer to do unskilled manual work (<http://nrega.nic.in/netnrega/home.aspx>).

**Table 3: Reasons given by manufacturer representatives for why workers leave, or do not join, the RMG factory or industry**

Category of issue	Detail of issue	Cited by which stakeholder group representative(s) <sup>8</sup>
<b>A. FACTORS “INTERNAL” TO FACTORY/INDUSTRY</b>		
<b>Wages</b>	<ul style="list-style-type: none"> <li>- low wages</li> <li>- delayed wage payments</li> </ul>	NM, SM SM
<b>Management – worker relations</b>	<ul style="list-style-type: none"> <li>- bad attitude of employers and employees</li> <li>- because [workers] not respected</li> <li>- workers’ awareness has gone up; they cannot be forced anymore to work, they demand respect<sup>9</sup></li> </ul>	NM SM SM
<b>Benefits-related</b>	<ul style="list-style-type: none"> <li>- EPF not settled</li> <li>- problems with ESI</li> </ul>	SM SM
<b>Amenities</b>	<ul style="list-style-type: none"> <li>- workers wanting transportation and bigger canteen</li> </ul>	SM
<b>Inter-factory competition/industry dynamics</b>	<ul style="list-style-type: none"> <li>- competition from other factories</li> <li>- poaching by another factory</li> <li>- amalgamation of factories</li> <li>- workers following a supervisor who they appreciate/relate to</li> </ul>	SM SM SM NM, SM
<b>B. FACTORS “EXTERNAL” TO FACTORY/INDUSTRY</b>		
<b>Cost of living</b>	<ul style="list-style-type: none"> <li>- the cost of living in the city</li> <li>- high rents</li> </ul>	NM SM
<b>Other income-earning opportunities</b>	<ul style="list-style-type: none"> <li>- NREGA scheme</li> <li>- higher wages elsewhere</li> <li>- new opportunities due to urbanisation</li> </ul>	NM, SM SM SM
<b>Location</b>	<ul style="list-style-type: none"> <li>- find jobs in better locations, near home town</li> </ul>	SM

<sup>8</sup> NM = northern manufacturer representative; SM = southern manufacturer representative.

<sup>9</sup> See quotation below table.

### C. "PERSONAL" FACTORS

<b>Life-cycle events</b>	- marriage for approximately 5% of women	NM
	- marriage and relocation	SM
<b>Aspirations and goals</b>	- leave to clear debts with gratuity/EPF payments after 5 years	SM
	- short term goals of migrant workers	SM
<b>Other</b>	- fatigue	SM
	- festivals	NM
	- homesickness	NM
	- other family responsibilities	SM
	- migration back to villages	SM

One manufacturer in the south bemoaned: *"Ten years back, you could get work by force. Now management has to be diplomatic to make labour understand what the requirements are. Now we can't get anything by force. We need to educate the worker about the requirement and the effect if the requirement is not met. If force is still used, absenteeism and attrition will be more. Workers' education and awareness level has gone up; they can identify whether I am respecting them or not. The more understanding the labour force has, the more demands they have – they want a crèche, labour welfare, benefits."*

There could scarcely be a stronger case made for the importance of worker education, organization and empowerment, in order for them to better assert and defend their rights.

## 6. Conclusions and recommendations

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The conclusions and tentative recommendations, based on the findings of this research, are presented below according to the three stages of the employment process at which coercion and deception can be applied. A final section covers other workplace issues not directly associated with forced labour.

### 6.1 Deceptive recruitment

According to the survey results, recruitment was generally free of coercion. However, there is some evidence of deception especially with respect to working time, with frequent reports that workers have to work more hours or days than was initially agreed. The fact that many of them do not receive a written employment contract means there is no formal proof of the terms and conditions of their job offer, and so these could easily be subject to subsequent changes (although this point was not specifically investigated in the survey); and even those who receive a contract rarely fully understand it. Despite the fact that most workers are indebted, the debt is normally owed to an informal moneylender or a pawnbroker in exchange for gold; there was no evidence of loans or wage advances being taken from employers, their agents or recruiters, and hence no evidence of bonded labour.

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#### Recommendations

- Manufacturers should ensure that all workers receive a written contract that they fully understand and which is fully explained to them verbally (if they are illiterate) prior to commencing the job.
- Labour contractors and employers should ensure that all terms and conditions agreed upon during recruitment and outlined in the contract are provided in practice, including wage rates and hours of work.

### 6.2 Work and life under duress

There are several indicators of workers experiencing work and life under duress.

Overtime, particularly for migrant workers, is essential for workers to supplement the low wages they receive working normal hours and is therefore sought after by the majority. This in itself can be an indicator of forced labour, if wages are deliberately kept low in order to ensure the workforce will be ready to undertake overtime when needed. For some workers, overtime is forced upon them in peak production periods. Workers, NGOs and trade unions highlighted the practice of unpaid forced overtime. Many workers appear not to be paid overtime at double rate, as required by law. The practice of imposing production

targets means workers often work under pressure when an order is to be fulfilled. Some are paid on piece rates, which can be subject to manipulation.

Most workers do not take annual leave, stating either they are not entitled to it, or out of fear of losing their jobs if they do. Implicit here is the menace of a penalty, whether real or perceived. There appears to be a regular practice of workers quitting factories in order to go home during festival periods, and then being re-employed upon their return back from their villages.

Some employers are accused of abusing the EPF system and stealing from workers. There is some evidence of irregularities in the EPF system, with some workers themselves also trying to avoid the statutory deductions being made. Workers do experience occasional late wage payments; however, the main complaint with respect to wages is their low level, rather than anything else.

Occupational safety and health (OSH) risks are present in the repetitive and sedentary nature of much of the work in the garment factories, and it seems that workers do not take the required breaks because they are under pressure to meet their production targets. Older workers in particular suffer.

Verbal and other abuse by supervisors seems to be the norm, especially in the south where women predominate in the workforce while most supervisors are male. Workers report being subject or witness to verbal abuse and threats at an alarming rate, especially with respect to overtime and production targets (roughly four-fifths of worker respondents reported this). These penalties are usually applied by supervisors, who are said to be generally poorly educated and trained. Verbal abuse includes scolding, shouting, use of vulgar language, name-calling and other insults. Threats include sacking (nearly one-third reported this) or having additional work imposed (reported by one quarter).

Only one in five workers stated they had never seen or heard of any of the abuses listed in their current factory of employment. Workers being forced to work when unwell is not uncommon (nearly 1 in 4 reported this). Further, around 1 in 5 workers reported having witnessed physical violence and beatings in their own factory, and being locked in the workplace. Sexual violence or harassment was reported by 17% of women respondents.

Evidence from this survey paints a picture of the factory floor as characterized by an extreme lack of respect for workers and their ill-treatment by supervisors, principally through constant shouting and dealing of insults. Workers apparently tend to accept this bad treatment in the short-term, as they are so heavily dependent on the income for their basic survival. But nonetheless, a high proportion of them try their luck at a different factory after a while, possibly in part in the hope of securing better treatment and greater respect.

There is thus abundant evidence of workers, of both sexes but especially women, being subject to threats and penalties during the employment phase, and of working under duress.

### **Recommendations**

- Workers should be guaranteed their right to organize in practice, and no obstacles placed in the way of their establishing or joining a workers' organization of their choosing. Factory management should recognize established Trade Unions and be ready to engage with them in social dialogue and collective bargaining. There should be no discrimination against workers or trade union officials on account of their engagement in trade union activities or trade union membership.
- Employers must put in place and strictly enforce a zero-tolerance policy on verbal abuse, threats, sexual harassment and all forms of violence at work. There is a need to bring about a change in the culture of the factory floor, currently characterized by an extreme lack of respect for workers of both sexes as people with a right to human dignity.
- Investment should be made in the proper training of supervisors, and also in encouraging women to enter traditionally male-dominated supervisory roles. Supervisors and workers should both be taught about sexual harassment and broader issues of non-discrimination, and about the boundaries of acceptable and unacceptable behavior at the workplace.
- Overtime must be consistently paid at statutory (double) rate, should never be imposed against a workers' free will and should not be allowed beyond the legal maximum number of hours for men and women. Buyers and company managers should negotiate production schedules such that unrealistic deadlines, which cannot be met without excessive overtime inputs, are avoided.
- Workers should be given annual leave and sick leave entitlements as per national labour law. Breaks during the work day should be enforced. Occupational safety and health concerns should be investigated by employers and labour inspectors, and followed up as necessary. Workers must never under any circumstances be locked in the workplace, and adequate measures must be put in place regarding fire safety and evacuation of the premises in an emergency.
- Workers, both women and men, who live in employer-provided accommodation, must be free to move around as they wish outside of working hours.
- Statutory minimum wages in the sector should be reviewed regularly in line with the cost of living, and provide adequate income for a decent living standard for workers and their family members, without the need for excessive overtime hours.
- Public factory inspections should be conducted periodically, and without prior notice, to monitor the implementation of labour laws and collective agreements, where these exist, governing garment factories.

### 6.3 Impossibility of leaving the employer

Most workers are able freely to leave their employer having given appropriate notice. The existence of high labour turnover in the industry also suggests employees are in general free to resign, change factories or leave the industry altogether. There are, however, some indicators of constraints on leaving an employer. For example, some employees cannot resign while waiting for wages due, including at peak production periods when managers may refuse permission to quit. Irregularities over EPF payments and settlements may also represent a constraint on leaving, and contracts are sometimes abused to avoid worker entitlements to EPF and ESI.

Other moderate indicators include the threat of being excluded from future employment, which can be enforced as supervisors in different factories are known to discuss with each other “vocal” or “difficult” workers, including trade union activists, making their re-employment in the area difficult or impossible.

#### Recommendations

- Employers must allow workers freely to resign, within the provisions of their contract, and provide their due settlements in a timely fashion.
- Workers must not be deprived of their Provident Fund and other benefits due on quitting the factory. They must not be obliged by employers to resign at any point against their will so as to forgo their right to such benefits.
- Any employer who engages in such abusive practices should be sanctioned by the labour department in accordance with the labour law and regulations.
- Employers must ensure that wages are always paid on time.

### 6.4 Child labour

Employment of children below 15 years old, the legal age for admission into employment, was not present in the factories covered in this survey. Some reports were heard, however, of parents/relatives falsifying identity documentation to enable underage children to work in the garment industry elsewhere.

The study did not investigate whether young people aged 15 – 17 years were engaged in any hazardous activities which would jeopardise their health, safety or morals, or other “worst forms” of child labour in the factories. If, for example, any young workers were subject to abusive treatment, violence or threats from supervisors to make them do overtime or meet production targets (or even to instil fear such that they will not leave the factory), this would constitute forced child labour, and hence also a “worst form” of child labour.

## Recommendations

- As child labour laws are subject to change, employers and managers need to keep up to date about the latest provisions.
- Employers must rigorously check the identity papers of any prospective recruit who appears to be below the age of 20 years.
- Young workers aged 15-17 years should work only in tasks appropriate to their age and stage of development, and not in activities which may damage their health or well-being. Employers may put in place a system of paid apprenticeship/vocational training for young people, with appropriate accreditation from the government.
- Employers should rigorously screen identity documentation for young workers already employed, to seek to identify any cases of falsified records. Should underage children have been mistakenly recruited, every assistance should be provided to ensure that they are removed from employment under the best conditions and not further disadvantaged e.g. they should retain right to earned employee insurance benefits and should be assisted to find appropriate educational, training or other opportunities appropriate to their age.

## 6.5 Other workplace issues

Most factories do not have formal and accessible complaints procedures in place, so workers can only really approach their supervisor in case of need. And, if the supervisor is the source of the problem, that is clearly not a viable mechanism. In the absence of formal avenues, personal networks and connections are more likely to be used. Some workers felt that they could not do anything about their problems, but rather must tolerate them.

Formal factory inspections by the labour department are limited, and while audits by private compliance firms are probably more regular, stakeholders did not perceive them to be objective and thorough. They highlighted the scope for “flexibility” and individual and inconsistent interpretation of compliance issues, thus reducing their efficacy in uncovering and resolving problems.

There is very limited formal workplace representation of workers. Manufacturers noted the accomplishments of workers’ committees, and some dismissed the need for trade unions. Unions struggle to gain membership in the current climate, but do represent non-member workers’ interests when approached by them. Common issues raised are unfair dismissal and the non-payment of severance benefits.

## Recommendations

- Formal mechanisms should be established by manufacturers to report and resolve workplace grievances. Workers should be fully familiarized by company HR departments with the procedures to follow should disputes or problems arise.

- Government should enlarge the scope and role of labour inspection and allow for unannounced inspections without prior worker complaint, in order to enforce the minimum wage, overtime, OSH and other statutory provisions. Brands, buyers, manufacturers and government must work together to eradicate all forms of corruption.
- Employers who violate the law, or who tolerate unacceptable practices on the factory floor, should in the first instance be given appropriate warnings by the labour inspectorate and offered advice as to how to remedy the problem(s). If remedial action is not taken within the specified time-frame, then the relevant sanctions mechanism should be instigated and penalties strictly enforced. Should any instances of obvious forced labour be detected, then the sanctions procedure should be initiated immediately, and appropriate assistance provided to those workers who have been victimized.
- Brands need to improve and be transparent about their social audit methods and procedures, so that they are seen to be professional and rigorous. They should work closely with public labour inspection services to see how their systems can complement statutory inspection regimes. Both public and private inspectors need to be fully trained in forced labour issues in order to be able to detect early any potential forced labour practices or problems.
- Manufacturers must allow trade union activity in line with provisions of the labour law, as well as support the functioning of workplace/workers' committees. Tripartite dialogue on wage levels and structures should be established or maintained. Consideration should be given to the election of women's officers to represent women's interests to management, particularly in the south.
- Manufacturers/factory owners need to professionalize the garment industry. This requires investing in staff (including supervisor) training, planning for internal staff career progression, ensuring occupational health and safety standards, developing HR systems, as well as providing legally stipulated and additional facilities for workers, such as on-site crèche and breast-feeding facilities, and transport to and from the workplace especially at the end of late shifts, and for women workers.
- Employers should put in place a system for career advancement for both women and men, so that workers can acquire different skills and experience over the course of their working lives.
- Government should ensure the effective functioning of the Employees' State Insurance (ESI) and Provident Fund schemes, as well as ensuring that workers are fully informed about these schemes and how to access benefits in case of need.

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**Fundamental Principles and  
Rights at Work Branch  
(FUNDAMENTALS)**

**Governance and Tripartism Department**

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