

India Country Report

An Overview of the Garment Industry

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1. Introduction

This report provides an overview of the garment (and textiles) industry in India. To begin, a general overview of the location and background is provided, which gives context to the detailed information on the garment industry which follows. Additionally, this report provides an overview of the nationally and internationally guaranteed rights of Indian garment (and textile) workers along with India's compliance record with such rights, and the accessibility of grievances mechanisms. The role and awareness of the consumer in export countries will be considered, and summary of the main issues in India's garment industry along with some recommendations will be included at the end of the report.

2. Location and Background¹

Geography and History

India is a very large country (3,287,263 sq. km) situated in the south of Asia. It borders Bangladesh, Bhutan, Myanmar, Pakistan, China, Nepal, the Bay of Bengal, the Arabian Sea, and the Laccadive Sea. Its central location in South Asia as well as its position along some key trade routes makes it an ideal garment exporting country. India has a rich and long history of dynasties and empires. Indeed the former 'Indus Valley' civilization is one of the world's oldest civilizations. Various dynasties and tribes have occupied and ruled the Indian subcontinent during its long history. By the 19th century, the Indian subcontinent was under British rule. The country of India as it is today gained independence from Britain in 1947. In gaining independence, India has become its own sovereign state, with Pakistan becoming a separate state (later the East of Pakistan would become Bangladesh). ²

Social Demographics

With a population of approx. 1.24 billion, India is the world's second most populous country. Male: female ratio is 1.08. Around 40% of the population are between the age of 25 and 54 years old, with only 12% aged 55 and above. The main ethnic groups living in India are:

² Ibid.



¹ 'India' (*The World Fact book*) https://www.cia.gov/library/publications/the-world-factbook/geos/in.html accessed 3 February 2015

- Indo Aryan- 72%
- Dravidian 25%
- Mongoloid/others 3%

As per the data released by the 2001 census, the main religions are as follows³:

- Hindu 80.5%
- Muslim 13.4%
- Christian 2.3%
- Sikh 1.9%.

Notably, the most current data on religion is 14 years old, despite a census having taken place in 2011. The figures on religion from the 2011 census have yet to be published. Experts however, estimate that the number of Muslims is likely to have risen.⁴

Education and Employment

Literacy levels stand at 62.8%, meaning that a significant portion of the adult population cannot read or write at 15 years old. The workforce stands at approximately 484.3 million⁵ with an estimated 12% of children aged between 5 and 14 in the workforce. According to a 2013 Gallup survey, the median per capita income in India \$616 per year, making it the lowest of the BRICS nations (Brazil, Russia, India, China, South Africa). Additionally, the survey indicated that only 25 per cent of the population had full time employment (2008-2012).

Caste System

In India, historically a closed caste system has existed, which means that individuals would be born into a certain caste, and could not change it. The caste system is a hierarchical system, and those in the lower castes have many restriction on work, interaction with others, and quality of life. At the very bottom of the Indian caste system are those known as Dalits (previously referred to as the 'untouchables.') These individuals would perform the worst of jobs and were,



³ 'Religion' (*Census India*) http://www.censusindia.gov.in/Census_And_You/religion.aspx accessed 2 February 2015

⁴ Joanna Sugden, Shanoor Seervai 'Where are India's 2011 Census Figures on Religion?' (*Wall Street Journal India*, 9 January 2015) http://blogs.wsj.com/indiarealtime/2015/01/09/where-are-indias-census-figures-on-religion/ accessed 2 February 2015

⁵ 'Labour Force, Total' (*World Bank Data*, 2012) http://data.worldbank.org/indicator/SL.TLF.TOTL.IN accessed 3 February

⁶ 'India's Median per capita income lowest among BRICS: Gallup' (*Business Standard*, 16 December 2013) http://www.business-standard.com/article/economy-policy/india-s-median-per-capita-income-lowest-among-brics-gallup-113121600968 1.html accessed 2 February 2015

in many ways, treated as outcasts. After gaining independence from Britain, the caste system slowly relaxed. Today, it is outlawed, but it still exists in some form.

Government and Politics

India is a federal republic, formally known as the Republic of India. It consists of 29 states and 7 union territories. It has a constitution and a common law based legal system. India has a vast number of political parties participating in the democratic process.

Economy

The economy of India has undergone significant development in recent years, with increased liberalisation, privatisation and less state control. The result is that India's economy is now more of an open market one. Despite its economic progress and emergence as a global economic player, India faces many economic development issues such as poverty and corruption.

GSP

GSP is a system of tariff reductions for developing countries exporting to the EU. As of 1 January 2014, new EU regulations on GSP have entered into force. Under the new regulations, India is included in the standard GSP preferences category, but apparels and textiles will graduate from this category in 2016.⁷ Previously GSP existed in the USA but of 31st July 2013, the US GSP system expired and has yet to be renewed.⁸

3. General Industry Overview

According to the India Brand Equity Foundation (IBEF), the service sector is the country's largest sector, accounting for almost 57% of GDP. Industry accounts for 25.8%, whilst agriculture contributes 17.4% of GDP. ⁹

Other than Textiles and Clothing industry, major industries in India include¹⁰:

⁹ 'India: A Snapshot' (*India Brand Equity Foundation*, December 2014)

http://www.ibef.org/economy/indiasnapshot/about-india-at-a-glance accessed 3 February 2015

¹⁰ 'India Industry' (*Business Maps of India*) http://business.mapsofindia.com/india-industry/ accessed 2 February 2015



⁷ 'The EU's Generalised Scheme of Preferences (*European Commission*) http://trade.ec.europa.eu/doclib/docs/2012/december/tradoc_150164.pdf accessed 24 October 2014, p23

⁸ 'Welcome to Renew GSP Today' (*Renew GSP Today*) http://renewgsptoday.com/ accessed 11 July 2014

- *The Chemical Industry*: 'Regarded as the oldest domestic sector in India,' the chemicals sector is estimated to contribute 12.5% of industrial output and 16.2% of Indian exports.
- *The Petroleum Industry:* This industry is one of the oldest in India and is continuing to expand
- *The IT Industry:* This relatively new industry continues to expand, as India continues to play a key role as an 'off shoring destination for IT companies.'11

4. Garment Industry Overview

Considered by the Ministry of Textiles to be, "one of the mainstays of the national economy," the Indian textiles and clothing (T&C) industry, which produces both ready-made garments (RMGSs) and textiles, gives direct employment to an estimated 35 million people. Industry accounts for 4% of Indian GDP and 12% of the total export value.¹² The domestic textile has an estimated worth of \$33.23 billion which reveals how central the industry is to the country. ¹³ The fact that the Indian government has devoted an entire ministry; the abovementioned 'Ministry of Textiles,' to this industry demonstrates its prevalence and importance to the country as a whole.¹⁴ The Indian T&C industry experienced substantial growth after the end of the Multi Fibre Agreement; this growth is demonstrated by the fact the industry experienced a growth of 25% in the year 2005-2006. The industry continues to grow; indeed the export figure could reach \$82 billion by as early as 2021. ¹⁵

Turning specifically to the garment industry which falls within the ambit of the wider T&C industry: some 8 million of the total 35 million T&C workers are part of the garment industry,¹⁶ with RMGs accounting for around 45% of all T&C exports.¹⁷ However, with recent data showing that 75% of rural, and 69% urban (non-agricultural) workers in India form part of the informal

¹⁷ India Country Study 2012' (*Fair Wear Fashion* 2012) http://www.fairwear.org/ul/cms/fck-uploaded/documents/countrystudies/india/CSIndia2012.pdf accessed 3 February 2015, p12



¹¹ 'IT and ITeS in India' (*India Brand Equity Foundation*) http://www.ibef.org/industry/information-technology-india.aspx (accessed 2 February 2015)

technology-india.aspx (accessed 2 February 2015)

12 'Indian Textile Industry at a Glance in 2013-2014' (*Indian Mirror*) http://www.indianmirror.com/indian-industries/2014/textile-2014.html accessed 2 January 2015

^{13 &#}x27;Overview: Apparel Industry in India' (*India Brand Equity Foundation*, July 2014) http://www.ibef.org/exports/apparel-industry-india.aspx accessed 3 February 2015

http://www.ibef.org/exports/apparel-industry-india.aspx accessed 3 February 2015

14 'About Us' (*Ministry of Textiles*) http://texmin.nic.in/aboutus/aboutus.htm accessed 3 February 2015

15 *Ibid.*. (n.13)

¹⁶ 'Indian Garments: Second only to Textiles' (*Fashion United*, 6 November 2013)

http://www.fashionunited.co.uk/fashion-news/fashion/indian-garments-second-only-to-textiles-2013110618938

economy¹⁸, it is likely that actual figures depicting the number of garments and/or textile workers form a very conservative estimate. There are several 'hubs' in India where most of the garment production takes place. Key garment producing areas are Tiripur (in Tamil Nadu), Delhi, Noida, Guragon, Indore (Madhya Pradesh), and Ludhiana (Punjab).

Garment Industry Structure

India is unique in that there are high levels of both textile and garment production taking place within its borders. When it comes to the structure of the garment industry, it should be noted that the garments are produced in factories and then usually distributed to the retail brands via agents. Notably, much of the production in India stays on the domestic market. Exports are normally handled by Export Houses or Procurement/Commissioning Houses of large retailers. The large retailers usually design the clothes and the workers in the factories cut and assemble the clothes as per the brands' requirements. Some of the largest export houses in Delhi are: Shahi Exports, Orient Craft Ltd., Orient Fashions Ltd., Richa & Company and Guarav International, PeeEmpro Exports.¹⁹

Powerloom and Handloom Production

The Handloom and Power Loom sectors are seen as separate from the garment sector, but also play an important role in the overall industry.

Power Looms

A Powerloom is a loom which is powered mechanically rather than manually. Although more costly than handlooms, production is higher, due to the

In 2013, the Indian Ministry of Textiles reported that there are 5.92 million powerloom workers in India.²⁰ There are approximately 2.34 - 2.35 million power looms in the country, which in 2013-2014 produced about 37.5 million bales (175kg per bale). ²¹ The **Power Loom**

²¹ 'Power Loom industry in India' (*India Brand Equity Foundation*) http://www.ibef.org/exports/powerloom-industry-in-india.aspx accessed 24 October 2014



¹⁸ 'Informal Sector and Conditions of Employment in India' (*National Sample Survey Office; Ministry of Statistics and Programme Implementation*) http://mospi.nic.in/mospi_new/upload/nss_report_557_26aug14.pdf accessed 3 February 2015, page ii

¹⁹ Top Garment Export Houses in Delhi, NCR, India' (*Abc of garment export house*) http://www.garmentexporthouse.com/2013/12/top-garment-export-houses-in-delhi-ncr.html accessed 24 October 2014

²⁰ 'Annual Report: 2013- 2014' (*Ministry of Textiles, Government of India*) http://texmin.nic.in/annualrep/ar 13 14 english.pdf accessed 19 January 2015 p 103

Development and Export Promotion Council is the agency which oversees development and promotion of the power loom industry. 22

Handlooms

A handloom is a loom that is operated by hand. The work is done manually rather than mechanically. As such, these looms are less costly, but production tends to be slower. In 2013, the Indian Ministry of Textiles reported that there were approximately 4.33 million handloom workers operating on 2.38 million handlooms. 23 The Handloom Export Promotion Council operates under the Ministry of Textiles and promotes the export of all handloom products. ²⁴ Furthermore, the *Office of the Development Commissioner for Handlooms* provides assistance to handloom workers and is involved in schemes which aim to further develop the sector. ²⁵

Industrial Relations

In the garment industry, there are generally low levels of TU membership; however the table below shows that across all industries (and presumably in the garment industry) union membership is growing. The figures below show the difference in membership of the top 3 unions from 2008-2013:

Trade Union ²⁶	Political	2013 Membership	2008
	Affiliation		Membership
Indian National Trade Union	Indian	33.3 million	3.9 million
Congress (INTUC)	National		
	Congress		
Bharatiya Mazdoor Sargh (BMS)	Lenient to	17.1 million	6.6 million
	Bharatiya		
	Janata Party.		
All India Trade Union Congress	No affiliation	14.2 million	3.4 million

²² 'Power Loom industry in India' (India Brand Equity Foundation) http://www.ibef.org/exports/powerloomindustry-in-india.aspx accessed 24 October 2014 ²³*Ibid.*, (n.20) pg 111

^{&#}x27;Indian Trade Unions are getting bigger; coinciding with slowdown' (Business Standard) http://www.business-standard.com/article/economy-policy/indian-trade-unions-are-getting-bigger-coincidingwith-slowdown-113040600392 1.html accessed 19 January 2015



²⁴ 'About Us' (Hand Loom Export Promotion Council) http://www.hepcindia.com/intro.php accessed 22 December 2014

²⁵ 'About Us' (Office of the Development Commissioner (Handlooms)) http://handlooms.nic.in/User_Panel/UserView.aspx?TypeID=1191 accessed 22 December 2014

(AITUC)	to a party; but
	is a leftist
	union.

In the garment industry, there are generally low levels of TU membership; however the above figures show that across all industries (and presumably in the garment industry) union membership is growing. Still, much of the garment industry is still in the informal sector, with little regulation. Even where Trade Unions exist, their power is limited. Those who participate may face discrimination. Furthermore, collective bargaining agreements are 'virtually non-existent' in the garment industry. Some unions in the garment industry are:

- Garment and Textile Workers Union (GATWU)
- Garment and Fashion Workers Union (GAFWU)
- Mazdoor Ekta Manch (MEM)

Some of the central unions include, Hind Mazdoor Sabha, All India Trade Union Congress (AITUC), India National Trade Union congress (INTUC). AITUC is not affiliated with any political party, but is a leftist union; and INTUC is affiliated with the Indian National Congress. ²⁷

Collective Bargaining has been described as, 'virtually non-existent' but it is worth noting a somewhat successful exception: *The Tirupur Tripartite Wage* Agreement which was concluded provided for staggered wage increases.²⁸

A 2011 study into unionisation in India, noted several reasons why there have been issues with unionisation in the Indian garment industry. The author cites reasons such as the fact that most workers are first generation industrial workers with little knowledge of rights or unionisation. Further, many workers are very mobile and do not intend to stay in one factory for long durations; as such the interest in collectively bargaining is low. In addition, the enforcement and judicial system is weak, and often favours management. As such, against such a backdrop,

²⁸ *Ibid.*, (n.17) p 14



²⁷ Ibid., (n.17) p10

workers may consider union action to be somewhat futile. ²⁹

5. Economic Data

Described as one of the 'mainstays of the Indian economy,' the T&C industry is a key one in India and contributes significantly to the Indian economy (both formal and informal). The government has devoted an entire ministry to this industry: The Ministry of Textiles. Indeed, this ministry has been active in pursuing policies which could increase India's market share in the global garment industry. After a difficult couple of years of global recession, the Ministry of Textiles has actively strategized in order to improve the state of the industry. For example, the ministry has actively pursued bilateral agreements with other nations, with the aim of increasing market access. These and other efforts have resulted in a turnaround from decline to growth. The growth is expected to continue in the coming years.³⁰

Concerning investment, foreign and domestic investments continue to grow.³¹ Investment conditions are favourable for foreign investors, for example, 100% FDI is approved in the textile and apparel industry.³² ³³ To encourage and facilitate foreign investment, the government has established a scheme called, 'Make in India.'34 Indeed, Foreign Direct Investment in the Textiles Sector from April 2000 – September 2014 stood at approx. \$1.5 billion.³⁵ In terms of increased trade and market access, India has taken a proactive approach, having concluded Bilateral Investment Treaties (BITs) with 86 countries, 36 and continuing to pursue bilateral agreements

³⁶ 'Bilateral Investment Treaties – India' (*Kluwer Arbitration*) http://www.kluwerarbitration.com/CommonUI/BITs.aspx?country=India accessed 10 October 2014



²⁹ Mohan Mani 'Garments Sector and Unionisation in India - Some Critical Issues' (*Cividep -India*, March 2011) http://cividep.org/backdoor/wp-content/uploads/2013/01/garment-sector-and-unionisation-in-india-report.pdf accessed 3 February 2015

³⁰ 'Data Source: International Trade Division (*Ministry of Textiles*, 3 November 2014) http://www.texmin.nic.in/sector/note on indian textile and clothing exports intl trade section.pdf accessed 3 February 2015

³¹ 'India: Textiles and Apparel Sector Report' (*India Brand Equity Foundation*, August 2013) http://www.slideshare.net/IBEFIndia/india-textiles-and-apparel-sector-reportaugust-2013 accessed 23 December 2013, slide 19

³² *Ibid.*, (slide 30)

^{33 &#}x27; "Make in India" rolled out for textile and garment industry' (Fibre2Fashion, 25 September 2014) http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?news_id=167868_accessed 23 December 2014

34 'Home' (*Make in India*) http://www.makeinindia.com/ accessed 10 October 2014

15 The Providence of the P

³⁵ 'Textile Industry in India' (*India Brand Equity Foundation*) http://www.ibef.org/industry/textiles.aspx accessed 10 October 2014

with other nations. In the first 8 months of 2014, private equity deals totalling \$7.7 billion USD were sealed in India. India is also performing strongly in Mergers and Acquisitions.³⁷

Furthermore, various export promotion councils exist to promote exports. An example is the Apparel Export Promotion Council (APEC) which works to actively promote apparel exports and improve the structure of the industry.³⁸ The tables below depict recent export and import data within the industry:

Export Data

Year	Textile/ Garment	Total exports ⁴⁰	% Total Exports
	Exports ³⁹		
2011 (Textiles and	\$32.55 billion	\$235. 85 billion	13.80%
Textile Articles)41	€28.47billion	€206.26 billion	
2012-2013 (Textile &	\$31.62 billion	\$300.40 billion	10.53%
Clothing) ⁴²	€27.65 billion	€262.66 billion	
2012-2013	\$12.40 billion	\$300.40 billion	4.13%
(Readymade Garment:	€10.85 billion	€262.66 billion	
Makes up part of			
overall T&C figure) 43			

Import Data 44



³⁷ 'Domestic Investment India' (*India Brand Equity Foundation*, November 21040) http://www.ibef.org/economy/domestic-investments accessed 3 February 2015

38 'About APEC' (Apparel Export Promotion Council) http://www.aepcindia.com/pages/cms/1 accessed 3

February 2015

39 Conversion taken from www.xe.com on 3 February 2015

⁴⁰ *Ibid*.

⁴¹ 'India Exports by Product Section in US Dollars – Yearly' (*Indexmundi*) http://www.indexmundi.com/trade/exports/?country=in accessed 24 October 2014

⁴² *Ibid.*, (n.30)

⁴³ 'India's Textile Exports at a Glance - Principal Commodities - Annexure I' (*Ministry of Textiles*) http://texmin.nic.in/sector/note on indian textile and clothing exports intl trade section Anx I.pdf accessed 5 February 2015

⁴⁴ Conversion taken from <u>www.xe.com</u> on 3 February 2015

Year	Textile/Garment	Total Imports	% of Total Imports
	Imports		
2011 (Textiles and	\$4.45 billion	\$433.68 billion	1.02%
Textile Articles) 45	€3.89 billion	€379.34 billion	

Wages

In India, minimum wages are governed by the Minimum Wages Act, 1948. There is a national floor wage and then each individual state has discretion to use this or use a wage higher than the floor wage. Since much of the garment industry operates on the informal sector, many do not receive the protection of such laws. In 2013, the minimum wage in India was approximately 51.70 EUR per month. With regard to a living wage in India in the same year, Asia Floor Wage gave a figure of 195.30EU (more than 3 times the legal minimum).⁴⁶ A living wage is one which, 'should meet a worker's family's basic needs, both food and non-food costs.'47

Cost of Living

The table below gives some context to the living wage and minimum wage figures by showing the price for rice, as well as a pair of jeans which could have been made by a garment worker.⁴⁸ The figures on this table depict very clearly how great the disparity is between the retail value of the clothing made by garment workers, and the wages received by the same workers.

Area ⁴⁹	Minimum Wage ⁵⁰	Context ^{51 52}	Living Wage
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⁴⁵ 'India Imports by Product Section in US Dollars – Yearly' (*Indexmundi*) http://www.indexmundi.com/trade/exports/?country= accessed 24 October 2014

⁴⁶ 'Minimum Wage vs. Living Wage' (Clean Clothes Campaign) http://www.cleanclothes.org/livingwage/livingwage-versus-minimum-wage accessed 2 February 2015

47 'About' (*Asia Floor Wage*) https://asiafloorwage.wordpress.com/about/ accessed 2 February 2015

⁴⁸ Currency conversions calculated on <u>www.xe.com</u> on 3 February 2015

⁴⁹ *Ibid.*, (n.46) '

⁵⁰ Conversions taken from Asia Floor Wage Estimates, see note 41

^{51 &#}x27;Cost of Living in India' (Numbeo) http://www.numbeo.com/cost-of-living/country_result.jsp?country=India accessed 24 October 2014

⁵² Conversions taken from <u>www.xe.com</u> on 3 February 2015

Average of key		1 Kilo of Rice ⁵³ :	
regions (from Asia	\$ 65.42	\$0.57/€0.50/35 Rs	\$247.12
Floor Wage)	€51.70		€195.30
	4000Rs	1 pair of jeans (Levi's	15,125Rs
		or equivalent):	
		\$35.05/€30.65/2162,	
		35 Rs	

6. Workers

There are an estimated 35 million Textile and Clothing workers in India (8 million in Garments alone). In reality, this figure is likely to be very conservative, since such a huge proportion of workers in India work in the informal economy and reliable data is quite difficult to find.

Living Conditions of Workers

Social Insurance

Social insurance laws do exist, but most workers are "not aware of their rights." Furthermore, those working in the informal sector, have no access to benefits or legal protection.⁵⁴ However, various laws exit which provide sickness insurance, maternity benefits, superannuation, etc.

Housing

Housing is extremely expensive, in relation to the very low wages received by workers. In the future, subsidised dormitory accommodation may be provided for some workers in some factories.⁵⁵ Within the *Sumangali* system, workers are provided with (often poor) accommodation but their movement is tightly controlled; they are almost never allowed to leave. ⁵⁶ ⁵⁷



⁵³ Oral Communication with local residents

⁵⁴ 'General Overview' (*Ministry of Labour and Employment*) http://labour.gov.in/content/division/social-security.php accessed 12 September 2014

⁵⁵ 'India takes lesson from China to lure workers to garment industry' (*Financial Times/Yale Global Online*) http://yaleglobal.yale.edu/content/india-takes-lesson-china-lure-workers-garment-industry accessed 24 October 2014

⁵⁶ 'Behind the Showroom: The hidden reality of India's garment workers' (FIDH) http://www.fidh.org/IMG/pdf/india_garment_workers_report_2014.pdf p 20, 21

Medical facilities

A survey of some workers in Tamil Nadu revealed that in general there are not any medical facilities at the factories although sometimes there is a nurse who could offer help. Health problems continue to be an issue as workers do not always take breaks, or get proper nutrition.⁵⁸

Food arrangements

There should be canteens in factories with more than 250 employees, but this is often not the case. ⁵⁹ Additionally, the high demands placed on workers means they may be forced to skip breaks. ⁶⁰ Sometimes food and boarding costs are deducted from daily wages. ⁶¹ The evidently low wages continue to be a barrier between workers and access to good, nutritious food.

Working Life in the Informal Sector

As mentioned above, many workers work in the informal sector which is essentially free from regulation or social protection. These informal workers often do work that is sub-contracted from formally registered factories. The living and working conditions of informal workers tend to be very poor. These informal workers often do work that is sub-contracted from formally registered factories. Some even live and work in the same place. ⁶²

7. Legal Instruments and Enforcement Mechanisms

There are a number of national and international laws which prescribe various rights to workers in the Garment and Textile Industry. Further, these instruments prescribe obligations for states to take measures to protect such rights. This section considers such legislation, as well as its implementation and enforcement in the garment industry in India. Before turning to the



⁵⁷ *Ibid.*, (n.17) p17

⁵⁸ 'Captured by Cotton: Exploited Dalit Girls produce garments in India for European and US markets' (SOMO, India Committed for the Netherlands, July 2011) page 16

⁵⁹ *Ibid.*, (n.17) p 22

⁶⁰ Ibid., (n.56) p29

⁶¹ *Ibid.*, (n.58) p 12

⁶² 'These Compromised Clothes: A look inside India's Informal Garment Industry' (*Matador Network*) http://matadornetwork.com/change/these-compromised-clothes-a-look-inside-indias-informal-garment-industry/ accessed 2 February 2015

laws themselves, consideration should be given to the national and international legal framework under which India operates. On an international level, India has incurred rights and obligations from the various human rights treaties, and International Labour Organisation (hereinafter 'ILO') conventions which it has ratified.

7.1 Human Rights Treaties

The main treaties that are of importance in connection to the rights of workers are:

- 1) The International Covenant on Civil and Political Rights (ICCPR)
- 2) The international Covenant on Economic, Social and Cultural Rights (ICESCR)
- 3) The Convention on Elimination all forms of Discrimination of Women (CEDAW)
- 4) The Convention on the Rights of the Child (CRC).

These treaties are binding upon all states which signed and ratify them. India has ratified all the above mentioned treaties; however, it has made reservations and declarations for some Articles of these treaties. This means that the respective Articles are not binding upon India or that India has more freedom to interpret the articles in way which would benefit the state. There are mechanisms to check if the parties to the treaties comply with their obligations. One important mechanism for that is the individual complaint mechanism. Under this procedure, individuals can bring a claim against the state to seek for enforcement of a right granted under a treaty.

Enforcement Mechanisms. Human Rights Treaties

According to the article 26 of the Vienna Convention on the Law of Treaties (VCLT), states that have ratified a treaty must carry out its obligations in 'good faith.' Additionally, there are various mechanisms to check if the parties to the treaties comply with their obligations. One important mechanism for that is the individual complaint mechanism. Under this procedure, individuals can bring a claim against the state to seek for enforcement of a right granted under a treaty. The enforcement mechanisms for each of the relevant treaties are detailed below.

Universal Periodic Review: In addition to the enforcement mechanisms listed below, the UN, in 2006, added a Universal Periodic Review (UPR) to its means of Human Rights enforcement. The system periodically reviews the human rights compliance of all UN member states (193 in total). States must submit a report detailing their implementation of all Human Rights agreements to which they are party, detailing, 'what actions they have taken to improve the



human rights situation in their countries and to overcome challenges to the enjoyment of human rights.' The UPR is currently working through its second cycle (which began in May 2012). *Notably, NGOs may submit information* and comment as well as attend the UPR working group. ⁶³

ICCPR – The Human Rights Committee (HRC) is the ICCPR's monitoring and enforcement body. States who have ratified the ICCPR must submit periodic reports to the HRC when requested to do so (around once every five years). Additionally, the HRC may hear interstate complaints. Finally, an individual complaint mechanism exists, but only if the state has also signed the first optional protocol (OP) to the convention. *India has not signed this OP* which means individuals may not bring complaints to the Human Rights Committee (HRC) which governs the ICCPR. India has made some minor reservations on this treaty, but none which are relevant to workers rights. ⁶⁴

ICESCR – The Committee on Economic, Social and Cultural Rights (CESCR) is the ICESCR's monitoring and enforcement body. As with the HRC, CESCR receives periodic reports from contracting states. Furthermore, CESCR holds 'General Discussion Days' and at times will visit states to gather information on compliance. Under the ICESCR, individual complaints are only permitted if the contracting state has signed the OP to the ICESCR. Again, *India has not signed this OP* and as such, the CESCR may not hear individual complaints from Indian nationals. Furthermore, India has made some reservations on this treaty; of relevance to workers' rights is the reservation entered on article 8 (right to be free from slavery). India reserves the right to interpret this article in light of its constitution.⁶⁵

CEDAW – The Committee on the Elimination of Discrimination against women is CEDAW's monitoring and enforcement body. As with the abovementioned treaties, state reporting is once again one of the main ways in which compliance with this treaty is monitored. The committee may make general recommendations after receiving state reports. Individual complaints are permitted if the contracting state has signed the optional protocol. **India has not signed this OP**, meaning that individual complaints before the committee are not possible for Indians. When it comes to relevant reservations, notably India has declared that it does not consider itself bound



⁶³'UPR' (*United Nations Office of the High Commissioner for Human Rights*) http://www.ohchr.org/en/hrbodies/upr/pages/BasicFacts.aspx> accessed 19 January 2015

⁶⁴ 'India International Treaties Adherence' (*Rule of Law in Armed Conflicts* Project) http://www.geneva-academy.ch/RULAC/international_treaties.php?id_state=107 accessed 3 February 2015 http://www.geneva-academy.ch/RULAC/international_treaties.php?id_state=107 accessed 3 February 2015 https://www.geneva-academy.ch/RULAC/international_treaties.php?id_state=107 accessed 3 February 2015

by article 29(1) of CEDAW⁶⁶ which stipulates that if two states have a dispute over the interpretation or application of the convention, it must be submitted to arbitration.⁶⁷

CRC – *India* acceded to this convention on 11 December 1992. The Committee on the Rights of the Child is the CRC's monitoring and enforcement body. State reporting comprises the main way in which this treaty is enforced. ⁶⁸ Notably, India has entered a reservation on Article 32 of this treaty⁶⁹, stating that it undertakes to progressively realise the obligation to eliminate child labour. ⁷⁰

7.2 International Labour Organisation Conventions

Further sources of international law which grant rights to workers are the Conventions of the International Labour Organisation (ILO). Established as part of the Treaty of Versailles in 1919, the ILO exists as a 'unique platform for promotion decent work for all women and men.' Throughout its existence the ILO has adopted many conventions, which have been ratified by governments across the world. These Conventions have helped to establish certain global minimum labour standards, and are binding upon the states that have ratified them.⁷¹ Out of the countless ILO Conventions, there are 8 which are considered to be fundamental conventions. Of the 8 fundamental ILO Conventions, India has ratified the following 4:

- C029 Forced Labour Convention (1930)
- C100 Equal Remuneration Convention (1951)
- C105 Abolition of Forced Labour (1957)
- C111- Discrimination (Employment and Occupation) (1958)

India has yet to ratify the following 4 core ILO conventions:

- C087 Freedom of Association and Protection of the Right to Organise Convention (1948)
- C098 Right to Organise and Collective Bargaining Convention (1948)
- C138 Minimum Age Convention (1973)

⁶⁷ Convention on the Elimination of All Forms of Discrimination against Women (adopted 18 December 1979, entered into force 3 September 1981) 1249 UNTS 13 (CEDAW) art. 29(1)

⁷⁰ Convention on the Rights of the Child (adopted 20 November 1989, entered into force 2 September 1990) 1577 UNTS, art 32



⁶⁶ *Ibid.*, (n.64)

⁶⁸ Rhona K.M. Smith *Textbook on International Human Rights*, (6th Ed, Oxford University Press, 2014), p 153 ff

⁶⁹ *Ibid.*, (n.64)

⁷¹ Mission and Objectives' (*International Labour Organisation*) http://ilo.org/global/about-the-ilo/mission-and-objectives/lang--en/index.htm accessed 2 February 2015

• C182 – Worst Forms of Child Labour Convention (1999)

ILO Supervisory System

Under this system, ILO member states are required to submit regular reports to the 'Committee of Experts on the Application of Conventions and Recommendations.' These reports must be submitted every 2 (for fundamental conventions) or 5 (for additional conventions) years. Additionally, employers or workers organisations may add comment to these reports. The Committee may ask further questions or make recommendations to the member state based on the report. ⁷² Furthermore, the annual report of the Committee is submitted to the International Labour Conference where a further 'Conference Committee on the Application of Standards' examines the report.⁷³

Special Procedures

Committee on Freedom of Association

It is also worth noting that the ILO operates a special Freedom of Association Committee which monitors the right to freedom of association in countries, *regardless of whether they have ratified the relevant ILO conventions or not.*74 Complaints regarding freedom of association may be brought by employers and workers associations before this special committee. This is particularly relevant since India has not ratified the relevant freedom of association conventions. (non-binding nature).

Representations

Under this mechanism, *employers or workers organisations may submit complaints* against a member state with regard to non-compliance with any of the conventions which it has ratified.



⁷² 'Committee of Experts on the Application of Conventions and Recommendations' (International Labour Organisation) http://ilo.org/global/standards/applying-and-promoting-international-labour-standards/committee-of-experts-on-the-application-of-conventions-and-recommendations/lang--en/index.htm accessed 3 February 2015

⁷³ 'Conference Committee on the Application of Standards' (*International Labour Organisation*) http://ilo.org/global/standards/applying-and-promoting-international-labour-standards/conference-committee-on-the-application-of-standards/lang--en/index.htm accessed 3 February 2015

⁷⁴ 'Special Procedures for the examination in the International Labour Organisation of complaints alleging

⁷⁴ 'Special Procedures for the examination in the International Labour Organisation of complaints alleging violations of freedom of association - Annex I (*International Labour Association*) http://www.ilo.org/dyn/normlex/en/f?p=1000:62:0::NO:62:P62_LIST_ENTRIE_ID:2565060:NO accessed 3 February 2015, art. 31

⁷⁵ 'The Committee on Freedom of Association' (*International Labour Organisation*) http://ilo.org/global/standards/applying-and-promoting-international-labour-standards/committee-on-freedom-of-association/lang--en/index.htm accessed 3 February 2015

A committee will examine the information and will, if necessary, make recommendations to the government concerned. If the representation concerns Conventions 87 or 98 (on Freedom of Association and Collective Bargaining), they are normally passed to the Committee on Freedom of Association (see above). ⁷⁶

Complaints

This system is essentially an inter-states complaint mechanism whereby a state may file a complaint against another state if it feels that there is a compliance issue. When this happens, the ILO's governing body may decide to set up a 'Commission of Inquiry' who will conduct a thorough investigation and make recommendations. This procedure is normally applied to states who are 'accused of committing persistent and serious violations.'⁷⁷

7.3 National Law

Additionally, Indian national law grants rights to individuals. Relevant source of Indian national law are the Constitution, statutory laws, and the jurisprudence of the court. This law can be invoked before national courts. Notably, when it comes to many labour issues, such as trade unions, social security, welfare, etc. both state and government level have joint jurisdiction to enact legislation. ⁷⁸ (Some relevant national laws are detailed in the table in Section 7.4)

Furthermore, the Protection of Human Rights Ordinance (1993) provided for the creation of a National Human Rights Commission (NHRC) of India. The NHRC has quite a broad mandate, which includes the power to inquire (either by its own initiative or by complaints submitted) about potential violations of human rights standards. Furthermore, after inquiry, the NHRC may make recommendations to government, such as initiation of prosecutions, etc. Access to the complaint mechanism is relatively easy for the literate; one must simply fill out an online complaint form. With regard to workers rights, complaints have been received on bonded labour, child labour, sexual harassment, and possibly other areas. ⁷⁹



⁷⁶'Representations' (*International Labour Organisation*) http://ilo.org/global/standards/applying-and-promoting-international-labour-standards/representations/lang--en/index.htm accessed 3 February 2015

^{77 &#}x27;Complaints' (*International Labour Organisation*) http://ilo.org/global/standards/applying-and-promoting-international-labour-standards/complaints/lang--en/index.htm accessed 19 January 2015

⁷⁸ *Ibid.*, (n17) p7

⁷⁹ 'Frequently Asked Questions' (*National Human Rights Commission, New Delhi, India*) http://nhrc.nic.in accessed 2 February 2015

7.4 Legal Rights: Compliance Issues

The core issues relevant to the rights and obligations of workers, states, and employers are detailed in the table below. The relevant provisions of the national and international laws described above are also detailed in each section.

Area	International	Ratified? ^{80 81}	National Labour	Implementation
	Law		Law	
General	There are	These	Rights and	The rights granted and
	several	instruments	obligations also	the reality is not always
	International	oblige India to	derive from national	the same; eventually, the
	treaties as well	comply only if it	legislation, e.g. the	situation depends on the
	as International	has ratified/	Constitution, Labour	implementation.
	Labour	acceded to	Law, and various	
	Organisation	them.	other national	
	(ILO)		legislative	
	Conventions	India has	instruments.	
	that grant	ratified several		
	individual	ILO Conventions		
	rights and	(See below) ⁸²		
	obligations.			
		India's		
		Ratification		
		status with the		
		key Human		

⁸⁰ 'Core International Human Rights Treaties, Optional Protocols & Core ILO Conventions ratified by India (*National Human Rights Commission, India*) http://nhrc.nic.in/documents/india_ratification_status.pdf accessed 12 September 2014



^{81 &#}x27;Ratifications for India' (*International Labour Organisation*)
http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:11200:0::NO::P11200_COUNTRY_ID:102691
accessed 12 September 2014

^{82 &#}x27;Ratifications of ILO Conventions: India Ratifications' (*International Labour Organisation*)
http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102691 accessed 10
October 2014

		Rights Treaties:		
		rugites frederes.		
		ICCPR: 1979,		
		but no optional		
		protocols, so no		
		right of		
		individual		
		complaints.		
		ICESCR:		
		CEDAW		
		CRC		
Forced	ILO	ILO 29: 1954	The Bonded Labour	The ILO conventions on
Labour	Conventions:	ILO 105: 2000	System (Abolition)	forced labour should
	29 & 105		Act (1976) ⁸³	apply to ALL workers,
				even those in the
				informal economy
		ICCPR: See		Classic Bonded or forced
	ICCPR, Arts 7,8	above		labour is not as much a
				problem as 'disguised'
				forms of forced labour
				such as compulsory
				overtime. 84
				Country specific
				problem: Sumangali
				System (prevalent in
				Tamil Nadu).85 86
Non-	ILO	ILO 100: 1958	Article 15	The caste system and

⁸³ 'The Bonded Labour System (Abolition) Act 1976, http://indiacode.nic.in/fullact1.asp?tfnm=197619 accessed 2 January 2015



⁸⁴ *Ibid.*, (n.17) p16 85 *Ibid.*, (n.56) p4 86 *Ibid.*, (n.58) p 14

Discriminati	Conventions:	ILO 111: 1960	(Constitution)	associated
on	100 & 111		prohibits	discrimination continues
		See above.	discrimination on	to be problematic.
	ICCPR, Arts 2,	See above.	basis of caste or	
	26		gender.	Women are not
	ICESCR, Art		Equal remuneration	discriminated against
	2(2)		Act 1976	financially but in other
	CRC, Art 2			ways. (E.g. termination
	CEDAW, Art 1		Sexual Harassment	of employment due to
			of Women at	pregnancy; sexual
			Workplace	harassment- see below).
			(prevention,	87 88
			prohibition and	
			Redressal).	
Women	CEDAW	Yes, but with	The Sexual	In a study, 60% of
		some	Harassment of	women reported abuse
		reservations	Women at	and harassment in the
			Workplace	workplace. The
			(prevention,	Sumangali system
			prohibition,	clearly violates women's'
			Redressal) (2013)	rights. ^{89 90}
			Various other laws	
			which protect	
			women.	
Child Labour	ILO	ILO 138: No	Child Labour	The law defines a child
	Conventions	ILO 182: No	(Prohibition and	as someone under 14.



⁸⁷ *Ibid.*, (n.56) p18
88 *Ibid.*, (n.17) p18
89 Standing Firm Against Factory Floor Harassment: Preventing violence against women garment workers in Bangladesh and India (*Fair Wear Foundation*, 2013) http://www.fairwear.org/ul/cms/fck-uploaded/documents/fwfpublications_reports/StandingFirmReportFWF2013.pdf accessed 24 October 2014, p11

⁹⁰ *Ibid.*, (n.58) p12

	138		Regulation) Act	Children are permitted
	182	CDC Varlantlan	1986 ⁹¹	to work, but only in
		CRC: Yes but has		certain sectors. Notably
	CRC, Art 32	a reservation on	Under this law,	children are not allowed
		article 32.	certain dangerous	to work in the handloom
			jobs are prohibited,	and powerloom sectors.
			and conditions for	92
			work are	
			prescribed.	National legislation
				limits the work of
				children. In practice,
				child labour is common,
				especially within the
				<i>Sumangali</i> scheme. ^{93 94}
Freedom of	ILO	ILO 87: No	Article 19(1) (c)	In practice, unionisation
Association/	Conventions:	ILO 98: No	Constitution	is difficult, and union
Collective	87			membership can come
Bargaining	98		Trade Unions Act	with discrimination.
		As above.	1926	Unionisation and labour
	ICCPR, Art 22			law protection is
	ICESCR, Art 8		Industrial Disputes	practically impossible in
			Act 1947 (limited	the informal sector. 95
			CB)	96
				Notable exception:
				Tirupur tripartite wage
				agreement. ⁹⁷

 91 'The Child Labour (Prohibition and Regulation) Act, 1986 $\underline{\text{http://chdslsa.gov.in/right_menu/act/pdf/Child.pdf}}$ accessed 24 October 2014



⁹² *Ibid.*, Art. III (11) 93 *Ibid.*, (n.56) p4 94 *Ibid.*, (n.58) p14 95 *Ibid.*, (n. 17) p13, 14 96 *Ibid.*, (n.56) p 15 97 *Ibid.*, (n.17) p1 4

Living Wage	ILO	ILO 26: 1955	Minimum Wage Act	There is a national floor
	Conventions:	ILO 131: No	(1948)	wage, and states set the
	26 &131			various minimum wages,
				but this is not always
		ICESCR: Yes, but		implemented.
	ICESCR, Art 7	not the optional		mpiementoui
	Tobbott, Tite 7	protocol.		Even where the
		protocor.		minimum wage is being
				paid, it is not close to the
				estimates of a living
Danasahla	H O Commention	ILO 1: 1921	Castania Ast	wage.98
Reasonable	ILO Convention	ILU 1: 1921	Factories Act	With few inspectors,
Working	1		(1948) (establishes	enforcement of such
Hours			8 hour day, 48 hour	provisions is difficult.
			week)	
	ICESCR, Art 7	ICESCR: Yes, but		Overtime continues to be
		no OP.		a problem. ⁹⁹
Safe	ILO Convention	No	Factories Act	Overall, quite strong
Working	155		(1948)	implementation.
Conditions			Maternity Benefit	
	ICESCR, Art 7	ICESCR: Yes, but	Act (1961)	Problems include lack of
		no OP.		childcare, or lack of
				canteen facilities. Some
				workers though, have
				complained of being
				electrocuted. 100
				Reports of token system

Ibid., (n.17) p20, 2
99 *Ibid.*, (n.17) p16, 18
100 Gethin Chamberlian 'India's Clothing Workers: "They slap us and call us dogs and donkeys" (The Guardian, 25 November 2012) http://www.theguardian.com/world/2012/nov/25/india-clothing-workers-slave-wages accessed 24 October 2014



		to use the toilet ¹⁰¹

8. Consumers

According to the IBEF, the main export destinations for garments and textiles which are made in India are: the USA, The EU-28, some parts of Asia and the Middle East. As such, the reach of garment and textiles products which are produced in India is truly global. ¹⁰²

A report in the guardian newspaper in 2013 revealed that those buying clothes which were made in India had the desire for their clothes to be made in ethical conditions, but at the same time were not willing to pay more for their clothes. The writer of the report suggests that whilst consumers in destination countries like the UK believe that they simply could not afford to pay more for clothing, to simply implement a living wage for Indian garment workers would likely mean that an item such as jeans would cost around 15p more than the current price. As such, the article argues that it is possible to buy clothes that are reasonably cheap and also made in ethical conditions. However, a Fair Wear Foundation report notes that compounding price escalation must also be considered, meaning that wage increases at the beginning of the supply chain may result in a higher overall percentage increase in the retail value (about 5% more instead of 1%). 104

9. Overview and Recommendations

To summarise, the garment industry is one which is of key importance in India. With many millions working in the formal industry, and countless more in the informal sector, it is clear that the garment (and textiles) industry affects the lives and rights of many Indians. Whilst the



¹⁰¹ *Ibid.*, (n.56) p 29

¹⁰² 'Apparel Industry in India' (*India Brand Equity Foundation*, July 2014) http://www.ibef.org/exports/apparel-industry-india.aspx accessed 3 February 2015

Gethin Chamberlain 'Admit it. You love cheap clothes and you don't care about child slave labour.' (*The*

¹⁰³ Gethin Chamberlain 'Admit it. You love cheap clothes and you don't care about child slave labour.' (*The Guardian*, 28 July 2013) http://www.theguardian.com/world/2013/jul/28/india-sweated-labour accessed 3 February 2015

¹⁰⁴ 'Climbing the Ladder to Living Wages' (*Fair Wear Foundation*, August 2012) http://www.fairwear.org/ul/cms/fck-uploaded/documents/policydocs/ClimbingtheLadderReport.pdf accessed 3 February 2015, page 20 -23

industry continues to contribute to economic growth, and export figures, there are still several rights issues which are of concern, and which must be addressed. The paragraphs which follow detail some of the key rights issues which currently present themselves in the Indian Garment Industry, as well as some recommendations as to what the government, and employers could to do eliminate such issues.

Sumangali Scheme

The Sumangali scheme continues to be a major problem within the Indian garment industry. The scheme, which poses as a programme to enable young girls to earn enough money to marry, promises to pay a lump sum after 3 years of work. However, in some areas the workers are treated terribly in conditions which can certainly be said to amount to forced labour. The scheme also involves many minors, which means that the scheme not only breaches standards on forced labour but on child labour.

As other NGOs have noted, this issue is a complicated one, and is not easily solved. The government could help by making a concerted effort to eliminate child labour. It could start by removing the reservation it has entered on article 32 CRC (see section 7). Further, it has been suggested that time should be taken to educate auditors on these practices so that they may be more easily spotted.¹⁰⁵ Retail brands could also take care to investigate their entire supply chains and make efforts to ensure that they do not tolerate such practices within their chains.

This problem certainly needs all stakeholders to work together to effect change. Brands cannot simply put pressure on suppliers without first addressing the financial and labour pressures faced by suppliers which means that they resort to such methods.

Prevalence of Informal Economy

The sheer numbers of Indians who work in the informal economy means that this problem is not going to disappear quickly. Some have called for labour reform, particularly legislative action which would protect more workers who currently fall outside the scope of labour law protection. Perhaps labour reform could help. Notably, at the end of 2014, a string of labour law reforms were introduced by the Modi government. These reforms included improving worker benefits, *e.g.* pensions, and social security, as well as reforms to the system of labour inspections.



¹⁰⁵'Sumangali Scheme and Bonded Labour in India' (*Fair Wear Foundation*, September 2010) http://www.fairwear.nl/ul/cms/fck-uploaded/documents/companies/FWFdocs/fwf-india-sumangalischeme.pdf accessed 3 February 2015 (page 2)

Whilst these reforms are welcome, they do not tackle the problem of the vast numbers of garment workers in the informal economy who fall outside the scope of protection of labour laws. As such, perhaps focus for further reform could be placed upon not only on improving labour law, but on expanding the scope of the laws themselves to include those workers who find themselves on the margins of a formal economy.

Perhaps this issue needs to be tackled not only in India, but also at an international level. Indeed, the ILO appears to have placed a renewed focus on this issue, and the issue of 'facilitating transitions from the informal to the formal economy' was put on the agenda for the 2014 International Labour Conference (ILC) meeting, as an attempt to facilitate standard setting. The outcome of this is that the ILO is moving towards adopting a recommendation on 'facilitating transitions from the informal economy to the formal economy.' This recommendation would include provisions such as a definition of the informal economy, and provision for the progressive extension of human rights and social security rights, etc. to workers in the informal economy. This provisional recommendation will be followed up at the 2015 labour conference; as such, it is likely that an ILO recommendation on this issue could be adopted as early as 2015.¹⁰⁷ An international standard on this issue would most certainly be a positive step on the road towards tackling this issue. However, India must commit to the objectives laid out in such a recommendation, and direct national policy towards realising such objectives. If this does not happen, then nothing will change in India with regard to the rights of those currently in the informal economy.

Further, whilst national and international legislative action may help, employers also have a responsibility to make steps towards change. As such, efforts should be made to reduce subcontracting to the informal economy, and increase the provision of binding employment contracts to workers. Of course this may not effectively occur without the cooperation of brands that must be aware that varying order loads, with high pressure placed on suppliers during times of high demand and high season encourages subcontracting, and keeps the informal economy thriving.



Mukul G Asher, 'Reforming Labour Laws, creating livelihoods' (The Hindu, 4 November 2014) http://www.thehindu.com/opinion/op-ed/comment-reforming-labour-laws-creating-livelihoods/article6545494.ece accessed 4 February 2015

^{107 &#}x27;Transitioning from the Informal to the Formal Economy' (*International Labour Conference*, 2014) http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_241897.pdf accessed 4 February 2015, p 1-2, 81ff.

Wages

Payment of low wages continues to be a problem. The average of legal minimum wages is significantly lower than the estimated living wage. Again, this is not necessarily a simple problem to resolve, and all stakeholders should be encouraged to work together in order to implement a sustainable and helpful solution. Legal reform can help to a certain extent, but the brands and suppliers must work together to create a sustainable way of implementing such reform.

However, as has been noted in the previous section, research has shown that by just paying a few cents more per item of clothing, ethical standards can be ensured. Indeed, additional research into the impact of wage increases has revealed similar findings: research in India showed that increasing the retail price of a $\[\le 29 \]$ t-shirt by $\[\le 0.27 \]$ (less than 1% increase) would, in theory, be enough change to ensure that those who were producing the garments would receive a living wage. Whilst consumers may not want to pay more for their clothes, it is almost certain that such small increases would generally be accepted. However, as mentioned in section 8, the same study reveals the problem of compounding interest where the price of a garment each stage of the chain is calculated by a percentage increase. 108 As such, a change in the pricing structure in the supply chain together with a small increase in retail value could go a long way to make a sustainable payment of living wages to garment workers a reality.

Since it has been proven that this issue could be easily solved without much additional cost from the consumer, then ultimately this problem can only be solved by all stakeholders working together with a commitment to the rights of workers to receive a living wage.

Discrimination: Caste and Gender Based.

Despite the fact that both caste discrimination and gender discrimination are prohibited by law in India, both issues still present themselves as problems. As such, greater efforts must be made to protect vulnerable workers from discrimination. India has indeed ratified ILO Convention 111 on Discrimination in the workplace. As such, it must make efforts to more effectively realise its obligations under this Convention through stronger enforcement mechanisms. The new Sexual Harassment Law (2013) shows signs of progress by the government in this area, but an



¹⁰⁸ *Ibid.*, (n.104) p 20-21

audit by the Fair Wear Foundation in 2013 revealed that the implementation of this law at a factory level was not always happening.¹⁰⁹ As such, more effort should be made on enforcement and training for employers. Indeed, Fair Wear Foundation is working actively in India to educate employers about how to set up complaints committees and grievance mechanisms. Perhaps focus should be placed on providing more training like this for employers so that they may effectively deal with discrimination based complaints, and work towards an elimination of discrimination and harassment in the workplace. Furthermore, simple practical efforts could help to effect change, e.g. providing childcare or crèches, so that women have access to employment.

It is clear that legislative protection against discrimination does exist, but it seems that focus needs to be placed on finding effective methods of enforcement. This will not come without difficulty as discrimination based on gender and caste has been deeply rooted in Indian culture for many generations.

Lack of Transparency

Transparency and anti-corruption efforts are central to effective solutions for most of the issues which are prevalent in the Indian garment industry. Transparency International gives India high ratings for corruption levels. As such, in order to create a more transparent environment within the garment industry, the culture of corruption in the country as a whole must be tackled. This will not happen overnight, but will require commitment and focus on change. Education is surely key to creating a more transparent society. Perhaps, with regard to the garment industry, education could be provided to employers, suppliers, auditors, etc. and best practice codes could be formulated and implemented in order to take steps towards a more transparent industry.

110 'Corruption by Country/Territory: India' (*Transparency International*) http://www.transparency.org/country#IND accessed 4 February 2015



¹⁰⁹ Country Plan India 2014 (Fair Wear Foundation) http://www.fairwear.org/ul/cms/fck-uploaded/documents/countrystudies/india/countryplanindia2014.pdf accessed 4 February 2015