The state of Tamil Nadu is the largest producer of cotton yarn in India and a global sourcing hub for readymade garments in recent years. The spinning mill industry is of major importance to the state and to the national economy. A publication by the Tamil Nadu government claims that India is the world’s largest cotton yarn producer after China, responsible for a little over one-fifth of yarn production worldwide. 35 to 40% of this yarn is produced in Tamil Nadu, which is home to approximately 1,600 mills employing between 200,000 and 400,000 workers.

Approximately 30% of this yarn is used in the export factories in Tamil Nadu, who produce for brands like C&A, H&M, Marks and Spencer, Primark, Walmart, Zara and a lot of other brands. An unknown share of this yarn is used in other garment hubs in India that produce garments for the export. Yarn produced in Tamil Nadu is also used for the domestic market and for the production of exported home textiles. Furthermore, a 2012 estimation suggests that over 20% of the production is exported directly to garment producing countries like Bangladesh and China. Previous SOMO and ICN research identified five factories under the Bangladesh Accord for Building and Fire Safety who source from two spinning mills in Tamil Nadu. So even if your shirt is not ‘Made in India’, the yarn might be.

The India Committee of the Netherlands has worked with SOMO (Centre for Research on Multinational Corporations) and with Mondiaal FNV for several years now to draw attention to the deplorable working conditions in the Tamil Nadu mills. Past reports exten-
Large-scale forced (child) labour in India’s spinning mills

Foreword

...sively document forms of modern slavery, including forced child labour, in specific companies that produce directly for Western brands. Now we have gathered research data that provide an overall picture of the working conditions in the Tamil Nadu textile industry.

Civil society organizations, trade unions, individual companies, multi-stakeholder initiatives, business initiatives and governmental actors have undertaken efforts to curb abusive employment and labour practices in the South Indian textile industry. This has led to improvements in some specific targeted mills. As this research shows, still few mills are in compliance with Indian labour laws and international standards on forced labour, working hours, wages, social security etc.

Between July and December 2015, a team of 8 researchers and 40 volunteers interviewed 2,286 workers of 743 spinning mills in 4 districts of Tamil Nadu (Dindigul, Tirupur, Erode and Namakkal), thus covering almost half of the total number of spinning mills in Tamil Nadu. These include large and small mills, as well as mills that are part of export-oriented integrated manufacturers. Furthermore, Focus Group Discussions have been held with an average of 6 workers from each mill. Furthermore, researchers have done desk research on reported incidences of (sexual) harassment and abuse.

The anonymized data set can be found here.

Forced Labour

The ILO Forced Labour Convention of 1930 (29) defines forced labour as ‘all work or service which is extracted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily’. India has ratified this convention. Forced labour violates the fundamental rights guaranteed to all citizens by the Indian Constitution. Article 23(1) states that ‘Traffic in human beings [...] and other forms of forced labour are prohibited’. Forced labour is a form of what is called ‘Modern Slavery’ in popular parlance. Out of eleven ILO indicators that point to forced labour, the following nine indicators apply to spinning mill workers:

Abuse of vulnerability

From the 1990s onwards the male, unionised workforce of the mills has been replaced by young female workers, who are more compliant than adult males. 80% of the women workers is younger than 18 and 60% comes from a Dalit background. Researchers estimate that at least a quarter of the workers are migrant workers from other, often poorer, states in India, who lack a social network and face language and cultural barriers. Gender, poverty, age, cultural differences and caste create a power imbalance between workers and employers and make...
those women vulnerable for exploitation by mostly older, male and higher cast supervisors and employers.

**Deception**

Young girls are lured to work in a spinning mill with promises of a well-paid job, comfortable accommodation, three nutritious meals a day and a lump sum amount that can be used for their dowry. Since workers are deceived about the working conditions, they have not given their free and informed consent.

**Restriction of Freedom of Movement**

A part of the workers, sometimes living at walking distance, stay in company-controlled hostels, where freedom of movement is restricted. Female spinning mill workers staying in hostels are often not allowed to leave the hostel on their own, under the pretext of cultural traditions. Some mills do allow a few hours of shopping once or twice a month, guided by a security guard. Freedom of movement represents a strong indicator of forced labour.

**Isolation**

Spinning mill workers staying in hostels often have very limited possibilities to contact the outside world. Contacts with the outside world, including family, is further limited in mills where mobile phones are prohibited and a call home is only allowed in the presence of a warden. This makes staying in the hostel especially hard for young girls. It isolates girls from their families and other social networks and makes it impossible to express grievances, if any. Furthermore they cannot approach or be approached by trade unions.

**Physical and sexual violence**

A Freedom Fund report, commissioned by the C&A foundation documents: ‘Cases of physical abuse and sexual harassment (including demands for sexual favours from supervisors) were also reported in the mills, but the affected women are generally unwilling to talk about these cases or take any action. … [interviewed] women and girls shared that sexual harassment inside the mills was a common phenomenon and even if they complained about it to the management, they were mostly ignored. Girls living in hostels seemed to be more prone to this form of exploitation and had no mechanism to lodge their grievances. They said that they had “heard of some cases of suicide within the campus” hinting at rape and sexual exploitation.”

Australian academics also report that sexual harassment is common. ‘The women that experienced harassment were understandably reluctant to discuss the details, but some commented that if supervisor’s touch women’s bodies it meant they could get an easier time, for example, being able to sit while working, gaining permission to have leave or to receive some assistance if they were sick.” (Sexual) violence is a very strong indicator of forced labour.

**Intimidation and threats**

Harsh and abusive treatment by supervisors is common in the spinning mills. According to the ILO, constantly insulting and undermining workers constitutes a form of psychological coercion, designed to increase their sense of vulnerability.

**Withholding of wages**

The so-called ‘Sumangali’ scheme is one of the various names used for a bonded labour scheme in which young girls are lured to work in a spinning mill with the promise of a lump sum amount that can be used for their dowry. In practice this lump sum is made up of withheld wages, and used as a means to bind workers to the mill. Girls only receive the lump sum if they fulfil their 3 to 5 years contract period, under exploitative and unhealthy conditions. Girls who fail to do so, and many do because of health problems, abuse and exhaustion, most often do not receive the withheld wages. Since proof of employment is almost always missing, it is very hard for girls to claim withheld wages or entitlements after they have left the spinning mill. Systematically and deliberately withholding wages as a means to compel a worker to remain, and deny him or her the opportunity to change employer, points to forced labour, according to the ILO.

**Abusive working and living conditions**

Working conditions are hard and wages are low. A spinning mill runs 24 hours per day, so night shifts are obligatory, also for workers below 18. Only short breaks are allowed and conditions at the mills are unhealthy and unpleasant, with high humidity, lack of fresh air and cotton dust flowing around resulting in many health problems, such as regular headaches and respiratory problems. In hostels, insufficient numbers of bathrooms and unhygienic conditions of toilets are a concern for workers, while the poor quality of food leads to malnutrition.

**Excessive Overtime**

One of the documented characteristics of working in the spinning mills is that girls and young women, especially those staying in hostels, are made to work long hours. Regular shifts of twelve hours, mandatory 1.5 shifts and mandatory double shifts are no exception. Girls staying in hostels are woken up in the middle of the night to work extra if required or are denied access to the hostels when the work is not yet done. Spinning mill workers
often complain of fatigue and health problems related to exhaustion. Due to exhaustion, accidents happen regularly. Excessive overtime in itself does not necessarily imply forced labour, but ‘as a rule of thumb, if employees have to work more than is allowed under national law, under some form of threat [...] or in order to earn at least the minimum wage, this amounts to forced labour.”

Definitions
Terms like ‘Sumangali’ and ‘camp labour’ are often used interchangeably when describing forced labour in the Tamil Nadu textile mills. In this research definitions from the academic research project ‘The Non-Juridical Grievance Mechanisms project’ are used. ‘Sumangali schemes’ refers to all forms of forced labour ‘where young women have a fixed term contract and a significant portion of the legal minimum wage or other payments to which they are entitled [like Provident Fund] are withheld until they have completed the contract’, that are known under different names. ‘Camp labour’ refers to arrangements whereby workers live in company-controlled hostels with no or very limited freedom of movement, so that they are available to work on call and cannot freely choose another employer.

Research findings
Sumangali scheme
In this research we have looked into Sumangali and similar schemes under different names. Furthermore, in Erode district migrant workers from other states at several mills receive an advance payment that ties them to their employer.

In 351 out of 743 mills Sumangali is found. So, in almost half of the total number of spinning mills in this research, Sumangali schemes exist.

The incidence of Sumangali is highest in Dindigul district: 61% and lowest in Tirupur: 37%.

A girl from a village in Erode started working in the spinning mill when she was seventeen. Both her parents work as day labourers on construction sites. After completing higher education she quitted school, since due to the family’s poverty she was not able to continue her studies. From a friend who was already employed at a spinning mill, she heard enthusiastic stories about her work. The working conditions and hostels are good, there’s a canteen and a swimming pool and the opportunity to make new friends. On top of that, she would receive INR 50,000 (€ 699.31) after completing her contract period. So she persuaded her parents to allow her to work in the spinning mill.

The first three months were fine, she only had to do light work and was allowed to go out. But then she had to work as a regular worker and to work 12 hour shifts, which exhausted her. She disliked the food in the hostel to such an extent that she avoided having breakfast and dinner. Exhaustion and malnutrition led to irregular periods. Her salary was INR 3,500 (€ 48.95). There was no pool, only a water dam.

After one year, she went home on an eight days leave and convinced her parents not to send her back to the mill. She never received a part of the INR 50,000 (€ 699.31) promised to her. She joined computer training from a local NGO and now works as an administrative assistant.

Source: local NGO
Freedom of movement: Camp Labour
In 392 out of 743 mills freedom of movement is restricted. This means that female workers are not allowed to leave the factory premises on their own after working hours. Restriction of Freedom of Movement occurs most in Dindigul (67% of the mills) and least in Namakkal (28%).

Figure 2: Freedom of movement

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On 12 June 2016, two young girls who were staying in a hostel escaped from a spinning mill in Dindigul district by scaling the 3.5 metres high compound wall of the mill. The 17-year-old Pavithra and 18-year-old Ranjitha were injured when escaping the workload and the harassment at the mill. Ranjitha explained that a woman contractor, who brought her to this mill, had assured that she could continue her studies while working. “She promised that an arrangement will be made to continue my studies,” she said. “But I was not allowed to join any course. We were forced to work for 12 hours in a shift. They [supervisors] have been torturing girls to extract work beyond their capacity,” Ranjitha said.

‘Two girls injured trying to ‘escape’ from private mill’,
The Hindu, June 13, 2016
Minimum wage

Because of protracted negotiations between trade unions and manufacturers, there is no established minimum wage for workers in the textile industry in Tamil Nadu. In a notification that came into force on November 7th, 2008, the Madras High Court fixed the minimum wages to be paid to apprentices working in textile mills, at INR 110 (€1.54) per day. In addition to this, dearness allowance is to be paid. Since then, wages and dearness allowances have been adapted periodically to rising price levels by the Tamil Nadu government. During the research period, the minimum wage for apprentices was INR 282.40 (€3.95) a day. Since then, wages and dearness allowances have been adapted periodically to rising price levels by the Tamil Nadu government. During the research period, the minimum wage for apprentices was INR 282.40 (€3.95) a day. There is no minimum wage for regular workers, therefore researchers have used the minimum wage for apprentices as a benchmark for all workers based on the assumption that the wage for a regular worker cannot be lower than the wage for an apprentice.

Only 39 mills out of 743 pay workers the minimum wage for apprentices, all other mills pay less.

It is striking that 37 out of 39 mills that pay at least the minimum wage for apprentices to their workers are situated in Erode.

Working hours

As per the Factories Act 1948, an adult cannot work for more than 48 hours in a week and not more than 9 hours in a day. This is in line with ILO Convention 1, ratified by India. However, the Factories Act allows State Governments to make an exemption and allow 12 hours of overtime a week. This research ranked the mills in three categories; working weeks of 48 hours or less; working weeks between 48 and 60 hours; and working weeks of more than 60 hours. In only 37 out of 743 researched mills a standard working week is 48 hours or less. In a total of 706 other mills a standard working week exceeds 48 hours. In 367 out of those 743 mills a standard working week even exceeds 60 hours.

On working hours data show a difference between the four districts. In Tirupur 77% of the spinning mills have standard working weeks of less than 60 hours. This stands in sharp contrast with Namakkal, where in almost all mills (93%) a standard working week exceeds 60 hours. In Dindigul and Erode respectively 37% and 64% of the mills have working weeks of more than 60 hours, whilst Erode has the highest number of compliant mills with standard working mills of maximum 48 hours (24 mills, 9%).

Figure 3: Minimum wage

Figure 4: Working week

Minimum wage

Non-payment of minimum wage

< 48 hours

48 - 60 hours

60 hours >
“The middle finger of my right hand is now permanently bent, after my hand got stuck in the spinning machine at a mill where I was working,” says 17-year-old Kalaichelvi, who has worked for a year at a private spinning mill. “If I had not withdrawn my hand immediately, I might have injured myself more – lost my fingers or my whole hand,” she adds with a shudder. Kalaichelvi received first-aid but it was left to her parents to take her to a doctor for treatment. Although the treatment was very expensive, she got no healthcare support from her employer. Kalaichelvi’s mother is an agricultural worker while her father assists sand miners. Kalaichelvi studied until her fourteenth before discontinuing her studies, since the nearest high school is 11 kilometres away from her house and there is no reliable transport available. Furthermore, the financial situation of the family made her decide work. She chose the textile sector because a cousin advised her to do so, but she wasn’t told about the problems she would have to face.

The work involved standing in a hot, dusty, overcrowded space for 12 consecutive hours from 8.30am onwards, resulting in burning eyes, rashes, frequent bouts of fever, aching legs and stomach problems. There were no designated breaks for meals, relaxing or using the washroom, nor paid leave, except a fortnightly day off. Her monthly wages averaged INR 8000 (€111.89, INR 308 (€4.31) a day) before contributions to the provident fund and Employees State Insurance Schemes were deducted.

After a three-month break to recover from the injury at the spinning mill, she has now joined a knitwear manufacturing factory where the working conditions are slightly better, although the supervisors there are harsh too.

“The harsh realities of the lives of garment industry workers”, by Pushpa Achanta, Grassroots, October 2016

In this research we looked at Employee State Insurance (ESI) and Employee Provident Fund (EPF). ESI is an integrated social insurance scheme that covers health and social security, including maternity and unemployment benefits, via contributions made by the employee and the employer. The ESI scheme is implemented area-wise. For mills established in an area under ESI coverage, ESI is a legal obligation. Spinning mills are often established in rural areas, which do not always have ESI coverage. In case a mill does not fall under ESI coverage, researchers looked if other forms of health insurance is provided.

EPF is a national governmental social security savings plan. Its primary objective is pension, but savings can be withdrawn in specific cases like unemployment, medical calamity etc. The employee contributes 12% of his/her salary every month to the Fund, which is matched by the employer. Providing PF is mandatory for all employees who earn less than INR 15,000 (€209.79). In a previous report, ICN and SOMO have reported cases were PF was deducted from the workers’ salary, but not transferred to the PF office. This research only checked with workers if PF deductions are made, researchers have not checked if PF funds are actually transferred to the PF office or whether they are withheld by employers. A majority of 67% of the mills make Provident Fund deductions. Only 9% of the mills offer Employee State Insurance or other medical insurance. 31% of the mills do not offer any social security at all.

Coverage on both EPF and ESI is much higher in Dindigul (EPF 99%, ESI 13%) and Erode (EPF 91%, ESI 13%) than in Namakkal (EPF 41%, ESI 11%) and especially Tirupur (EPF 31%, ESI 1%), a district that has full ESI coverage.

Figure 5: Social security

Social security

Spinning mill workers are often from economically and socially marginalised families, including many Dalits, who lack means to save money for life events and emergencies. Social security is an important safety net for them; it means being able to go to the doctor without incurring expenses and savings in case of unemployment.
One of the driving forces behind the feminization of the workforce is that women are less likely to join a union. Despite the fact that the right to form associations and unions in India is a fundamental right protected by article 19 of the Constitution, trade unions are often not allowed on the premises of factories and spinning mills. In addition, no independent and effective grievance mechanisms are accessible for the workers, despite several legal requirements to establish workers committees that function as grievance mechanism. Every industrial establishment employing twenty or more workers should have a Grievance Redressal Committee for the resolution of disputes arising out of individual grievances. The Sexual Harassment at the Workplace Act requires the instalment of the Internal Complaints Committees (ICC). This ICC, in which NGOs have a seat, offer women workers some access to remedy. Existing workers committees do not always function independently. Researchers have inquired whether a committee that can potentially address workers’ grievances is present.

Out of 743 mills, in 10 mills trade unions have access to the mills and membership amongst spinning mill workers. 33 mills have some sort of workers committee. Only 1 mill in Dindigul has both a trade union and a Workers Committee. 94% of the mills do not have any form of workers’ representation.

Figure 6: Workers representation

A 17-year-old girl, the daughter of farm workers, was found dead in her room in a spinning mill in Tirupur district, on March 10, 2016, after failing to show up for a regular overtime shift. A report into the girl’s death by the Tamil Nadu Textile and Common Labour Union, a women-led trade union set up to represent women in the textile industry, said there were “wound marks on her body and rope impression around her neck”. Every day she did four hours of overtime, after completing an eight hour shift. After one year she wanted to leave, but her parents convinced her to complete the contract period,” the report said. “She was sexually harassed by a male worker and had complained to her brother and the mill management.”

The teenager had worked in the textile industry for nearly two years. She was paid INR 210 (€2.94) per day, which her mother collected each month.

Conclusion

This is the first time research into labour conditions in spinning mills is done at this scale. The findings are alarming. In a sample that consists of over one-third of the total number of spinning mills in Tamil Nadu, 91% of the mills has a form of forced labour with either ‘camp labour’ that restricts Freedom of Movement or a ‘Sumangali scheme’ where workers are bound to the employer through withheld wages. In 67 mills (9%) both camp labour and Sumangali schemes are present. In all mills, these strong indicators of forced labour are combined with other indicators such as intimidation and sexual harassment, abusive working conditions, excessive overtime and deception. Previous research has shown that a majority of the workers is younger than 18. Freedom Fund for example cites a survey by a local NGO which found that an estimated 80% of the women workers were under 18, and 14% to 20% were younger than 14 years. Child slavery is a worst form of child labour according to ILO Convention 182.

Attention to Sumangali in local and international media, NGO reports, scrutiny from brands and community work has had some impact, according to the researchers. Since this is the first research that looks at labour conditions in spinning mills on a large scale, it is impossible to compare those conditions over time. Researchers however estimate that a decade ago, over 80% would have had a Sumangali scheme, against 47% now. Regional difference shows that brands leverage can have some influence. In Tirupur the influence from brands and scrutiny from international buyers is felt most, since it is above all a garment production hub. The other districts are more remote rural areas, where Western buyers hardly come. Brands and international buyers have focused strongly on Sumangali schemes, that occur lesser in Tirupur then in other districts. Hostels however have not been an area of focus to the same extent and as this research shows, camp labour persists.

An assessment by Australian researchers shows that monitoring and labour rights training done by local labour rights NGOs at a few mills has led to significant improvements, such as elimination of Sumangali scheme, in a relative short time.xxiii Another good practice is the instalment of the Internal Complaints Committees (ICC), a legal obligation on the Sexual Harassment at the Workplace Act. This ICC, in which NGOs have a seat, offer women workers some access to remedy.

In July this year, the High Court of Madras has ordered the abolition of various schemes including the Sumangali scheme which recruits young girls for work and confines them within the factory/hostel premises.xxiv This requires action from both government and employers’ side. Furthermore the few small steps forward that have been made, show that brands can have an impact on labour conditions in the mills. Therefore it is time for the whole sector, both at the producing end and the buying end, to join hands and eradicate all forms of modern slavery and implement labour laws on wages, working hours, social security, freedom of association and prevention of sexual harassment.
Recommendations

**To the Spinning Industry**
- End practices where wages or benefits are withheld or advances payments are offered
- Guarantee freedom of movement and not restrict communication with relatives or other outsiders by hostel workers
- To implement labour laws, including payment of minimum wages, respect for 48 hours working week and social security
- Pay wages via cheques or bank transaction
- Provide a proof of employment
- Implement the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 and set up genuine and functioning Internal Complaints Committees, as well as a Grievance Redressal Committee
- Respect and act in accordance with trade union rights and allow trade unions access to the spinning mills
- Work with trade unions and NGOs on worker’s training, ongoing monitoring and grievance redressal

**To international buyers/brands**
- Map the supply chain beyond the first tier and increase supply chain transparency by publishing production locations of mills, their ‘labour rights status’ (backed up by information), audits etc.
- Conduct human rights due diligence in the full supply chain and publicly report about it
- Increase leverage by cooperating with other buyers
- Include hostels in monitoring programs. The presence of a factory-run hostel is a red flag
- Improve current monitoring practices by involving workers’ rights organisations and trade unions, have offside workers interviews, check with workers if workers have any proof of employment, countercheck wage administration by for example checking the Provident Fund registrations at the PF office, check registration of migrant workers, check if Internal Complaints Committees are active and genuine, and stimulate participation in these committees by NGOs that have a proven track record on labour rights
- Support mills in improving labour conditions, and reward mills that do take serious steps for improvements as preferred suppliers, increasing procurement prices and guarantee a minimum volume of orders
- Support and participate in the establishment of a local, credible grievance mechanism and a local multi-stakeholder initiative
- Since the few successful interventions at workplace level involve local civil society organisations, brands and buyers should involve civil society organisations and trade unions in any initiative taken to address labour rights violations in spinning mills

**To the Tamil Nadu State government and district governments**
- Implement and/or monitor all central and state laws and regulations that relate to spinning mill workers
- Implement Tamil Nadu Hostels and Homes for Women and Children Act that requires district governments to register and monitor all hostels
- Labour inspection should monitor the requirements of the Inter-State Migrant Workmen Act, especially check registration of migrant workers both by employers and contractors and monitor implementation of the Factories Act
- Clearly communicate that the exemption to the Factories Act that allows a 12 hours overtime a week is applicable only in exceptional circumstances. A standard working week should always be 48 hours, instead of 60 hours
- As per the “The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013” each district government should establish a Local Complaints Committee were women workers employed at establishments without an ICC can voice their grievances concerning sexual harassment. Furthermore, district officers should be appointed, who have the authority to oversee the implementation of this Act
To the Government of India

口 Ratify all relevant ILO Conventions, in particular ILO Conventions with regard to freedom of association and collective bargaining & child labour and the protocol to the forced labour convention

口 Improve accessibility and credibility of existing grievance redressal mechanisms for labourers

To governments in importing countries

口 Both the German and Dutch governments have brought about innovative initiatives in which government, business and civil society cooperate to address labour rights violations in the garment supply chain: The Partnership for Sustainable Textiles and the Covenant on Sustainable Garments and Textiles. Both initiatives aim to curb violations in South Indian spinning mills. We urge those initiatives to focus on implementing improvements at the core of the matter: the work floor. In addition, they should cooperate with local stakeholders with a background in labour rights in a multi-stakeholder setting

口 Member states of the European Union as well as the European Union itself should oblige companies to perform human rights due diligence in their full supply chain in line with the OECD Guidelines and report publicly about it

口 Member States of the EU and the European Commission should prioritise forced labour in the South Indian textile industry in their bilateral relations with India

口 National governments and the European Union should follow the example of the UK government by adopting a law that addresses modern slavery, and preferably includes child labour

口 Adopt regulations that increase supply chain transparency

口 Support credible initiatives by national and State governments in India and/or multi-stakeholder initiatives that aim to improve monitoring and implementation of labour laws

India Committee of the Netherlands

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Colophon

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