

January 16, 2017

Answers by Minister Ploumen of Foreign Trade and Development Cooperation to

Parliamentary Questions by the members Van Laar (Labour Party), Voordewind (ChristianUnion) and Dijkgraaf (Reformed Political Party) to the Minister for Foreign Trade and Development Cooperation on (child) slavery in South Indian spinning mills producing yarn for Western clothing brands (submitted December 28, 2016) [no. 2016Z25003]

Question 1

Are you familiar with the report *Fabric of Slavery: Large-scale forced (child) labour in India's spinning mills*⁽¹⁾ by the India Committee of the Netherlands?

Answer 1

Yes.

Question 2

Do you share the conclusion of the report that more than 90% of the spinning mills producing yarns for including Western garments, are making use of modern forms of slavery, including child slavery?

Answer 2

I share the conclusion that forms of slavery occur in many spinning mills. The report states that in more than half of the surveyed spinning mills workers are limited in their freedom of movement after work. It also states that in almost half of the mills the Sumangali system, whereby a part of the salary is paid only after the long-term employment contract is completed, still exists. Furthermore, the researchers state that in 10% of the spinning mills, both forms of modern slavery occur. Altogether, this may lead to the existence of a form of slavery in more than 90% of the mills. A serious problem is also the extremely long working hours for children and young people under 18 years.

Question 3

Do you support the recommendations made in the report, including the recommendations to the governments of importing countries?

Answer 3

Yes.

Question 4

Are you planning to work together with Dutch companies, or companies active in the Netherlands, that buy garment and textiles in South India, to tackle the problem highlighted in this report? What role(s) you see in particular for parties in the Textile Covenant?

Answer 4

Based on the OECD guidelines, companies should perform *due diligence* on the risks in their supply chain. This applies to all Dutch companies purchasing garments and textile in South India. The Textile Covenant gives companies the opportunity to jointly tackle problems. Addressing forced labour is part of the agreements in the Textile Covenant. The report *Fabric of Slavery* offers Dutch companies adequate information for the assessment of risks and for an fitting approach to the problems in the spinning mills in South India. The Sumangali system is explicitly mentioned in the Textile Covenant. It is obvious that companies, in order to address the Sumangali system, will join an initiative that is building on the 'Amsterdam-coalition', an international coalition of 26 companies that, in cooperation with the OECD, is committed to tackle the Sumangali system.

At this time it is not transparent which factories in India produce for the Dutch market. In the context of the Textile Covenant participating companies will have to report their production sites and submit a plan for their supply chain risks at the SER [Social and Economic Council of the Netherlands] secretariat. This should make clear which Dutch companies are dealing with the South Indian spinning mills. The spinning mills are located further down in the chains of Dutch companies. As a result an Indian spinning mill can supply materials to a garment factory in Bangladesh producing for Dutch brands. The influence of Dutch brands in that case is indirect. The value of the covenant is that a collaborative approach leads to results 'deeper' in the chain more easily.

The steering committee of the Textile Covenant, in which also the India Committee of the Netherlands is participating, will give priority to the collective approach to child labour and living wage. Taking into account these priorities, there will, during 2017, also be work done on other themes of the agreement, such as forced labour.

Question 5

Are you going to raise this issue in your contacts with the Indian government? Will you try to agree on a joint solution, involving also the garment companies, local trade unions and civil society organizations?

Answer 5

The Dutch government regularly raises the violation of the labour standards in the textile sector, also in India. More recently, the Director Sustainable Economic Development discussed the report *Doing Dutch* of the Clean Clothes Campaign and the India Committee of the Netherlands with the Indian government. Thereby the Netherlands emphasized the importance of enforcement of labour laws by the labour inspectorate.

The Dutch Embassy uses the human rights working group of the EU for realizing a broader coalition of EU Member States to jointly raise the problems in the Indian textile sector. After all, the Indian factories export to the whole EU.

Even though it is a sensitive matter to point out abuses to the government of India, it appears to be debatable. The more specific the information about abuses, the more the Indian government seems to be inclined to take action accordingly. There is consensus that

governments on both sides of the supply chain can make a positive contribution. In the so-called INDUS platform the Dutch and Indian government work together with companies and civil society organizations on best practices for corporate social responsibility in the different chains.

Question 6

What opportunities do you see for international organizations like the International Labour Organisation (ILO) and the Organisation for Economic Co-operation and Development (OECD) to contribute to joint solutions?

Answer 6

Recently the Netherlands talked with the International Labour Organization (ILO) in India about the violation of labour standards in the Indian textile sector. The ILO is aware of the problems and wants to play an active role in the realization of structural solutions. Strengthening the social dialogue and the capacity of the labour inspectorate will contribute to this.

As already indicated in the answer to question 4, the OECD is already active in India, and in the context of the textile agreement an approach to this OECD initiative will be sought.

[translation: India Committee of the Netherlands; original document:
<http://www.indianet.nl/pdf/kv170116.pdf>]

1) India Committee of the Netherlands, *'Fabric of Slavery: Large-scale forced (child) labour in India's spinning mills'*, 21 december 2016 <http://www.indianet.nl/pb161221e.html>