# Tamil Nadu Multi-Stakeholder Programme South India





This is an ongoing series of briefing notes about the lessons we are learning from our supply chain programme work. It is aimed at practitioners who are doing or planning to do ethical trade or labour rights related work in global supply chains and is designed to share and stimulate learning.

In this series, we give a brief description of the programme in question and then focus on the lessons learned at critical points of the programme or after they are complete.

For more detailed information on the relevant programme, including outcomes and case studies, please visit the ETI website ethicaltrade.org

Also see links to further information at the end of this briefing.

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## Background

The Indus Valley, India, has played a significant role in the world's history of garment production. If we stood here in the 5th millennium BC, we would have witnessed some of the earliest activities of cotton being spun, woven and dyed. You still see these same activities taking place today – except on a much larger scale. The region of Tamil Nadu is the power house of India's export garments and textiles production.

India's thriving textiles and garments sector plays a key role in the country's economy and global trade. The sector contributes about 14 per cent to industrial production; 4 per cent to the country's gross domestic product (GDP) and 17 per cent to export earnings (source: India Brand Equity Foundation). Much of the production is concentrated in Tamil Nadu, often referred to as the 'textile valley of India'. Its garments and textiles sector exports globally and counts European and US brands and retailers amongst its clients.

In recent years, media and NGO reports have shone a spotlight on labour rights abuses within some parts of Tamil Nadu's textile sector, which in the extreme, are tantamount to bonded labour. Issues include excessive working hours, withholding of wages, wages much below the minimum wages, lower level of personal health awareness, illness caused by exposure to cotton dust and no access to grievance mechanisms. While we recognise that these exploitative labour practices take place in some parts of Tamil Nadu's garments and textiles sector which are unacceptable and must be addressed, our goal is not to vilify the sector; rather support its efforts to drive reform.

Our goal is to contribute towards a thriving, globally-responsive sector that offers positive opportunities for young women from rural areas to raise themselves out of poverty through decent work. We are committed to working with local stakeholders to drive positive change for the young women workers impacted by these exploitative practices. We firmly believe that all stakeholders need to be engaged, if we are to have any success at driving long-term and sector-wide change.



Our goal is to contribute towards a thriving, globally-responsive sector





We aim
to empower
young
women
workers,
strengthen
industrial
relations,
build
community
awareness
and support
legislative
reform



## What we are doing

Since 2012, ETI has been working with our members and local stakeholders to bring together a critical mass of stakeholders that are committed to this change process. Our three-pronged programme approach was developed through a consultation process, and we are delivering it in collaboration with local stakeholders and is implemented on the ground by a local team with extensive experience of development work in Tamil Nadu.

As part of their induction into the programme they met with over 260 potential, current and former mill and garment factory workers – this has given them an invaluable insight into the needs, concerns, hopes and fears of these vulnerable young women and placed them in a strong position to craft a programme that best addresses the issues that are important to them.

ETI's five year programme aims to catalyse positive change within the industry through activities that empower young women workers, strengthen industrial relations, build community awareness and support legislative reform.

#### **OUR PROGRAMME'S FOCUS AREAS INCLUDE:**

### Strengthening capacity of workers and industry to address issues

We are working at mill-level, engaging directly with workers and managers. With a project partner, we are delivering educational modules and leadership skill-building sessions to raise awareness of health and workers' rights and foster open communication between workers and managers. This part of our programme will reach 5,000 workers across 15 textile mills and garment factories, with the potential to be scaled up over time. Locally this part of the programme is known as 'Nalam' – the Tamil word for wellbeing.

### Raising awareness of workers rights' within recruitment communities

Our programme has a community outreach strand; we are working within eight different districts where young women are recruited. Our local trade union and NGO partners are educating potential, current and former workers on their employment rights, grievance redress and legal support services.

Our aim is to raise awareness of relevant employment law and workplace rights among 40,000 young women. NGOs are also reaching out to the recruitment agents that link communities with mills to ensure that they have the correct information about workers' rights such as wages, working hours, benefits and leave.

### Driving change in recruitment policies and practices

We are engaging at policy level with industry associations, government and other institutions with a focus on strengthening laws and policies so that they protect the

rights of workers and provide proper access to remedy. We are doing this through events and meetings that are outcome-driven, building on industry and government policy actions. We are also supporting local trade unions in their efforts to reduce the apprenticeship period for unskilled workers under the Industrial Employment Standing Order Act from three years to six months.



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### **Context**

Before exploring the lessons learned from the programme so far, it is important to understand the highly complex and challenging context in which it is taking place. Some of the dimensions involved include:

#### 1 Abuses taking place deep within supply chains

As with many global supply chains, the garment supply chain in India is complex and multi-tiered. ETI member brands and retailers often have good relationships with those in the first tier of these supply chains; the factories that make the finished garments that they sell. However, these garment factories are supplied by fabric mills which in turn are supplied by cotton spinning mills. It is primarily in the spinning mills where such practices had been identified. Retailers and brands, and perhaps even garment factories themselves, have limited visibility and limited commercial leverage at this level.

#### 2 A highly complex stakeholder environment

There are multiple stakeholders involved in this issue — from the workers themselves and their communities, to the industry that employs them to the government services, trade unions and NGOs that seek to protect their rights. There are divisions and differences of opinion not only between employers and civil society, but also between civil society players themselves. The complexity of the environment had led to widespread disagreement among stakeholders on the best strategy to tackle the problems and even to disagreement on what exactly those problems are. This in turn had led to entrenched positions and in some cases a confrontational atmosphere between various stakeholders.

#### 3 Chasing a moving target

High profile international attention has been focused on what has come to be known by international organisations and local NGOs as the Sumangali scheme. However, this scheme has changed over time and indeed may no longer exist in its original form. Rather than withholding the whole salary for three years, where 'the scheme' — as it is locally known — exists, employers often make deductions from workers' regular salary and pay the saved amount as a lump sum at the end of the period. However, other severe abuses do persist and need to be urgently tackled.

As well as the type of exploitation, the geographical origin of new workers is also changing over time, with more workers, both male and female, being increasingly recruited from outside Tamil Nadu. This leads to additional problems such as language barriers. Workers who are further from home will also find it harder to return or to get support from their communities if they suffer abuse or excessive exploitation.

### 4 Entrenched cultural norms that disempower young women

These labour issues are emerging in a context in which gender and caste intersect so young women are disempowered by deep rooted cultural factors that are wider than just one industry. The communities that many of the workers are recruited from are impoverished, remote, rural communities who would find it hard to resist the offer of paid employment for their daughters, who would then be earning and thus contributing to, rather than depleting, the household income.

Once employed, families expect their daughters to be protected and looked after by their employers, but there can sometimes be a fine line between protection and oppressive confinement or complete loss of freedom. If the workers are involved in the scheme, families value the lump sum payment that they receive at the end of the apprenticeship period; it means that they are less likely to get into debt in order to give dowries (a practice which is illegal in India, but which retains strong cultural compliance). But for the worker herself, this means withholding of earned salary, which may not be according to her wishes or in her best interests.

Girls from poor families are likely to be less educated, less well-nourished and have less access to healthcare than boys and are therefore disadvantaged before they even begin their employment. As women (young women in particular) are expected to be subservient and obedient, they are unlikely to speak out when their rights are abused (even if they know what their rights are) or if they are unhappy with their conditions.



It is essential to have a team on the ground that understands the dynamics at play





Rather than avoid working in mills or factories, women wanted jobs that did not exploit or abuse them



### What we learned

### UNDERSTANDING THE ENVIRONMENT AND BUILDING TRUST TAKES TIME

Gaining a strong understanding of the many dimensions of this complex environment and building trust with and between its diverse stakeholders—community members, potential, existing and former young women workers, mill management, industry leaders, trade unions, NGOs, government, brands etc—takes a huge amount of time if it is to be done properly.

The relationships that are built at the early stages will form the foundations of a new approach and for this to be sustainable it is essential for them to be genuinely trusting and strong. Where there has been longstanding ideological and practical disagreement, such relationships cannot be built overnight. This can be challenging for international stakeholders whose reputations are at stake and are therefore, understandably, impatient to see rapid progress.

# VITAL TO HAVE A TEAM ON THE GROUND THAT UNDERSTANDS THE COMPLEXITIES OF THE ENVIRONMENT

In such a complex environment, it is essential to have a team on the ground that fully understands the dynamics at play and are able to liaise effectively with the various stakeholders. They also play a vital role in providing information for communication updates. Our South India team were selected both for their expertise in social/health work and development and also for their interpersonal skills.

It has been invaluable to have a programme manager who is able to engage meaningfully and convincingly with a wide range of stakeholders from vulnerable young women in rural communities to chairmen of mill associations to mill managers to representatives of international brands to government officials. Such communication requires strong diplomatic and negotiation skills, on top of the practical skills required to handle the day-to-day management of the programme.

It has also been invaluable to have a flexible local peer group coordinator who is able to gain workers' trust and adapt activities to reflect their needs.

#### LISTENING TO WORKERS THEMSELVES IS VITAL

Many organisations have been rightly concerned about the exploitation of young women workers in Tamil Nadu mills for some time. Different approaches to the problem were considered by different groups, such as advising the young women not to take up the jobs at all, but to stay in their villages and learn skills relevant to the life and economy there. However, ETI's investigations revealed that the opportunity to travel, learn new skills and earn an independent income was something these young women

and their communities very much valued. For them, the solution was not to avoid working in mills and factories at all, it was to ensure that the jobs they did have were decent jobs that did not exploit and abuse them. They needed to know what their rights were, to be empowered to stand up for them and to be provided with effective platforms for their voices to be heard.

### THROUGH A NON-CONFRONTATIONAL HEALTH PROGRAMME, BRIDGES CAN BE BUILT

In a complex environment such as this, starting with an uncontroversial programme, such as a health programme, can be an effective way of winning trust and gaining access to workplaces that would otherwise remain closed. While the topics covered in the training thus far are not in themselves labour rights issues, the training itself brings workers together to form a platform to hold dialogue with management.

The health benefits to workers of such a programme is valued by them and is a benefit to the business as well. The programme also helps to build greater trust between workers and management as it enables improved two-way communication; managers get to hear about workers' issues and can address them before it leads to loss of staff, and they can also communicate to new and existing workers through the peer educators when necessary. For example, at least one factory is using peer educators in new worker induction programmes.

### YOUNG WOMEN CAN BE EMPOWERED AND THEIR CONFIDENCE CAN BE RAISED

We have seen evidence that workers who are trained as peer educators gain confidence and improved communications skills. Even though their training has been initially centred around health issues, their increased confidence and experience of liaising with management will stand them in good stead when the programme moves on to broader labour rights issues.

The health space has also helped peer educators to gain confidence in the ETI team and are beginning to share information about workers' rights violation within the workplace. Given the cultural norms that place young women in a position of very limited agency, this increased ability to negotiate with those in charge can be very empowering. Young women workers have reported increased self-esteem and increased respect from their peers as a result of the Nalam programme.

"I am able to understand my potential – increasing my confidence level, able to stand in front of any group, lead a session and am able to answer the group queries. Apart from that, I am able to understand their feelings and support them through the Nalam programme. This is very useful and I am very happy to be a peer educator." Shivapriya – peer educator in a Tamil Nadu mill



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Good workermanager relations will lead to a more conflictfree work environment



#### DIALOGUE RATHER THAN MONOLOGUE

A common approach of many local NGOs to raising awareness (or 'sensitising communities' as they sometimes call it) is to deliver lectures to large groups of community members. Our programme team has encouraged NGOs to take a more participatory approach, combining leafleting and ongoing discussions with smaller groups of key community members.

In order to be able to demonstrate and communicate progress on the ground it is necessary to have effective mechanisms in place to measure this progress and document outcomes. The team has also introduced effective, visual tools for communicating key issues.

### COLLABORATION, NOT CONFRONTATION – DEMONSTRATE THE BUSINESS CASE

The ETI programme is one of the few to be working in the mills themselves. This has been achieved partly through the relationship and trust building process described above and partly through selling the business case for the programme to mill owners and managers. A key factor in gaining access to the mills was building trust-based relations with the large mill associations. Because of the severity and extent of the labour abuse issues, the entire textile industry was being vilified.

The confrontational approach may have been necessary to alert the world to the abuses, but in order to ensure we could move forward constructively, ETI takes a collaborative approach. We maintain an ongoing dialogue with the mill associations and keep them constantly updated on what we are doing so that they do not see the programme as a threat but as something that can enhance their business. As a result, most mill associations welcome us into their mills; one of them even sent a communication to all its members encouraging them to participate in the programme.

One of the main reasons the poor labour practices exist is because they struggle to recruit and retain good workers. The lump sum scheme was devised as a way of encouraging workers to stay for longer periods, but it has been badly implemented and so resulted in exploitation and abuse of workers. The business case for ETI's programme is that if the relationship between management and workers is built on trust and good communication and if workers can articulate their concerns then managers will be able to address problems before they lead to excessive higher staff turnover.

Good worker-manager relations will also lead to a more conflict free work environment. Managers of mills that the worker peer group programme has been operating in have seen these potential benefits and in at least one case, approached ETI asking us to help them "know what workers are thinking" so that they could retain workers for longer. Beginning with an uncontroversial health programme not only helps to build trust but also means mills have a healthier, more productive workforce and lower healthcare costs.

"At present hostel committee asked the management to change the food menu and asking greens twice per week, buttermilk, etc. Prior to Nalam learning, workers commented on only taste, but after learning, demand for balanced diet."

### RECRUITMENT AGENTS ARE KEY STAKEHOLDERS IN THE SYSTEM

One of the most critical yet hardest to reach stakeholder groups in the mill labour system are the recruitment agents. These are generally informal community members, often workers or former workers themselves, who use their links with factories and communities to recruit new workers. Others take a more professional approach recruiting from further afield, and some work as contractors hiring groups of workers directly and selling their labour to the mills.

Recruitment agents are also sometimes vilified as people who exploit and mislead young women for financial gain but, as in every sector, there are good and bad practices. In some cases, agents are workers themselves or are parents of workers who are trying to make a living and may not have all the relevant information they need about workers' rights. Agents play an important role in the industry; mills and factories are struggling to recruit workers – it is the agents who link them with the communities that are the source of their labour. Agents can make sure prospective workers know what conditions in workplaces are like and give preference to employers that treat their workers well. They can also ensure that all the new workers are over the age of 15 – the legal lower age limit for young people to work in factories in India.

Mills and factories also struggle to retain workers. Agents could help ensure that workers are paid at least minimum wage and that they are allowed to go home for leave when they need to. This would do a great deal to persuade workers to stay on, reducing employers' recruitment and training costs. And agents could keep tabs on how workers are doing once they have been employed by maintaining a register of the workers they have placed at a mill. But to do all this, they themselves need to know what workers' rights are. We have learned through training sessions with the recruitment agents that many are unaware of even the most basic labour rights such as the national minimum wage.

Focusing on recruitment agents also ensures that more of the communities that send workers can be reached. It would be impossible to educate every community in India from which workers could be recruited and the areas they are recruited from are constantly changing. So raising recruitment agents' awareness of workers' rights and showing them how they can negotiate with employers to ensure these rights are respected means that more workers can be successfully recruited into decent jobs. Whether they know it or not, young women — and the agents who recruit them — are actually in a position of power with prospective employers. So instead of just representing the interests of the mills, agents can also ensure that the young



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Our tools are helping to provide robust evidence of the impact of the programme



women are treated fairly and their rights are respected.

Working with NGOs that are connected with communities and know the local scene has enabled us to identify the agents and find ways to convince them to come and talk to us. The first group of agents we met with were initially very hesitant and nervous about attending because they thought they would be criticised by NGOs. But the meeting reassured them of the important role they could play in improving conditions in the industry as a whole (and thus its reputation) and gave them valuable information to enhance their work.

"I referred around 30 young women to various mills in past 5 years working as an agent. The problem is that mills do not send young women home even if there is death in the family. They call me even 30 times when they want workers, but once they have been recruited, they do not respond to my calls even during emergency. The young women are not allowed to come out of the factory on their own. My daughter also worked in a mill and faced all these struggles, so I took her out." Recruitment agent speaking at an ETI training session

### MEASURING OUTCOMES AND COMMUNICATING PROGRESS IS KEY

In such a complex environment with so many stakeholders involved both locally and internationally, it is vital to ensure that we have clear communication about our end objective and about progress being made. The latter is particularly important given the significant investment of time that is required to gain a thorough understanding the context and the players involved, and to build relationships and trust with and between them.

The programme operates under intense international scrutiny within a politically charged environment; in the absence of regular, clear communication about what is actually happening on the ground, rumour and misinformation can emerge.

ETI has introduced tools and procedures for capturing outcomes such as the knowledge and attitudes of participants before and after training sessions and changes in the level of confidence of workers to negotiate with managers on their working conditions. This is helping to provide robust evidence of the impact of the programme which is helping us not only to continuously improve our work but also to communicate with all the relevant stakeholders.

### What's next?

Phase one of the programme has aimed to raise health awareness in mills and labour rights awareness in communities, increase workers' confidence, negotiation and communication skills, create worker-management dialogue platforms, improve the policy environment and increase trust between local stakeholders.

Phase two will build on these foundations to expand the work in mills beyond health and address wider labour rights issues. The lessons we have learnt, and more importantly the needs of the workers and the workplace issues they have identified, will help inform and shape this new phase.

We will also be expanding and scaling up our community outreach work and continuing to support policy change at national and regional level.



The lessons we have learnt will help inform and shape the next phase



### **Further information**

#### ETI Programmes - Garment, Textiles India

Background information on the Tamil Nadu programme ethicaltrade.org/in-action/programmes/garments-and-textiles-india

#### Blog: A visit to Coimbatore

by ETI's Apparel and Textiles Category Leader, Martin Buttle <a href="mailto:ethicaltrade.org/news-and-events/blog/martin-buttle/a-visit-to-coimbatore">ethicaltrade.org/news-and-events/blog/martin-buttle/a-visit-to-coimbatore</a>

#### Blog: Reframing the role of recruitment agents in Tamil Nadu's textile sector

by ETI's South India Programme Coordinator, Hedvees Christopher

ethicaltrade.org/news-and-events/blog/hedveeschristopher/reframing-the-role-of-recruitment-agents-in-Tamil-Nadus-textile-sector

#### Blog: Building trust in Tamil Nadu's garment sector

by ETI's Media Relations and Communications Manager, Esme Gibbins and Worker Peer Group Coordinator, Gayathri Jeganathan

ethicaltrade.org/news-and-events/blog/esme-gibbins/ Building-trust-in-Tamil-Nadus-garment-sector

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#### **LESSONS FROM ETI PROGRAMMES**

The Ethical Trading Initiative (ETI) is a leading alliance of companies, trade unions and NGOs that promotes respect for workers' rights around the globe. Our vision is a world where all workers are free from exploitation and discrimination, and enjoy conditions of freedom, security and equity.

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