



Uncovering Hidden Supply Chains: Strategies to Close the Gap Between Child Labour and Forced Labour Legislation and Implementation

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Objectives of the session

- Understand the structure of outsourced, hidden supply chains in the garment and textile sector and how they interact across the supply chain.
- Elevate the issue of “hidden” garment supply chains and the prevalence of child labour and forced labour amongst such informal production.
- Identify good practice, such as developing traceability as well as longer-term solutions to addressing child labour and forced labour at hidden elements of the supply chain, including through legislation and collaborative initiatives.
- Discuss the role of government guidance in enabling or driving greater visibility into hidden supply chains in the garment and footwear sector to address child labour and forced labour.

Background

What is the context?

The International Labor Organization (ILO) estimates there are 152 million child labourers (ages 5-17) toiling in the global economy and 25 million children and adults in forced labour¹. Many of them are hidden in remote, undocumented, or otherwise informal locations. Over 73 million children are engaged in hazardous work, and 5.5 million are trapped in forced labour.² The US Department of Labor’s 2019 List of Goods Produced by Child Labor or Forced Labor cites 136 products (including garments, textiles, and footwear) in 76 countries identified as having been made with child labour.³

While child labour is entrenched in many supply chains, the phenomenon remains largely invisible to brands and consumers. Despite its global scale, the causes of child, forced, and bonded labour are strikingly similar, embedded in inter-generational poverty, social norms that undervalue education for girls, social bias against minority ethnic communities, and institutionalized exploitation. In light of the prevalence

1 ILO. 2017. Global estimates of child labour: Results and trends, 2012-2016 (Geneva).

2 ILO, Alliance 8.7 Global estimates of Child Labour: Result and Trends 2012-2016, 2017

https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms_575499.pdf

3 US Department of Labor’s 2018 List of goods produced by child labour or forced labour, September 2018

<https://www.dol.gov/sites/dolgov/files/ILAB/ListofGoods.pdf>

4 US Department of Labor’s 2018 List of goods produced by child labour or forced labour, September 2018

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of child labour globally, it can be expected that the vast majority of brands have child labour somewhere in their supply chains.

In his 2019 study of India's home-based garment workers, *Tainted Garments*, Siddharth Kara documented the conditions of work for women and girls in India's home-based garment sector who constitute a majority of home-based workers across numerous informal sectors. Kara found that due to the lack of transparency and the informal nature of home-based work, wages are almost always suppressed, conditions can be harsh and hazardous, and the worker has virtually no avenue to seek redress for abusive or unfair conditions. Power imbalances relating to gender further perpetuate the exploitation of female home-based workers, as their liaisons (i.e., labour subcontractors) are typically male and can often be verbally abusive or intimidating in order to secure compliance. The situation of the home-based workers is worsened by the fact that there is little to no regulation or enforcement from the state regarding their conditions of work. The researchers found that home-based garment workers in India consist almost entirely of women and girls from historically oppressed ethnic communities who scarcely manage to earn \$0.15 per hour. Lack of access to schooling for children in families of home-based workers further increases children's vulnerability. Among documented workers, the child labour rate in the home-based portion of India's apparel industry is 17.3 percent.

What are the various perspectives?

While there is broad agreement that child labour and forced labour should not be employed in the garment industry, there is not a shared understanding of how the problems manifest and why. Most laws and company due diligence efforts focus on "Tier One" factory production. Across regions, between 28 and 43 percent of child labour in global supply chains occurs in the upstream segments. The often-complex webs of production activities leading to exports, and the risk of child labour across these webs, clearly pose a challenge for traceability, assessment and ongoing monitoring. Although there has been progress in tackling human rights concerns in this part of the supply chain, as well as in certain inputs and raw material sourcing, there is much more to do, including further work to document the problems, addressing abuse within complex outsourcing networks for apparel brands and suppliers, and strengthening laws and law enforcement in consumer and production countries.

Due to a lack of acknowledgement, visibility and documentation of working conditions in the outsourced supply chain, there is limited consensus on how to address child labour in the garment industry, let alone understanding of it. Further, while all actors have a role to play, companies tend to see labour rights enforcement as the role of the government; civil society tends to seek strengthened performance by companies; and worker organisations typically seek increased opportunities to collectively achieve increased rights and wages.

What progress has been made?

Progress has been made in efforts to diminish child labour. In 2000 the International Labour Organization (ILO) confirmed global child labour prevalence of 246 million. Today that number is down by nearly 60 percent. Progress reflects a global movement of government, civil society, worker, and corporate actors working together. Modern slavery and child labour laws globally have been enacted and/or strengthened, as evidenced by the Child Labour (Prohibition and Regulation) Amendment Act, 2016 of India, the UK Modern Slavery Act, and the Dutch Child Labour Due Diligence law that passed last year.

Most major brands have adopted Codes of Conduct that prohibit the use of child labour and forced labour, and a significant number of these use their own and/or third-party audit programs to confirm their implementation at primary factory locations. Some of these regimes are stronger than others, but few systematically go beyond the Tier One production sites/factories, thereby missing the opportunity to reach the more prevalent and exploitative issues deeper in the supply chain. Multi-stakeholder platforms including the *German Partnership on Sustainable Textiles* and the *Dutch Agreement on Sustainable*

Garments and Textile have also called out child labour as a focus issue for member brands' ongoing due diligence reporting.

Finally, several civil society and worker organisations have sought collectivization within specific worker regions; however, these efforts rarely link to the supply chains of major industry brands in any sustained way.

What are remaining challenges/gaps?

Child and forced labour in supply chains are entrenched and complex problems that cannot be eradicated without long-term, committed involvement of all stakeholders—companies, government and civil society. Efforts against these abuses will be inadequate if they do not extend beyond to downstream suppliers closer to final production, and also cover actors in preceding tiers of supply chains, including those involved in upstream or outsourced production.

Suppliers continue to use outsourced labourers to lower costs and also during times of peak seasonal demand. Additionally, suppliers may consistently outsource specific production processes to home based workers. Such activities in the apparel sector typically include embellishment, embroidery and finishing. Home-based, informal workers are especially vulnerable, because of their unregulated status and female gender. The often-complex webs of production activities leading to exports, and the risk of child labour across these webs, clearly pose a challenge for traceability and auditing. The challenge is further increased by the fact that exports are often intermediate goods and services that will be further transformed in the destination region.⁴

Some corporate policies ban the use of outsourced and home-based production; however, these policies can drive the problems, including child labour, further underground. By acknowledging the existence of production outside primary factory facilities, oversight, services and remedy can be extended to workers who are currently invisible. However, the opacity and shifting nature and scale of the hidden supply chain makes ongoing oversight through to homeworkers challenging and costly for individual businesses. Partnerships with civil society and governments as well as widespread industry collaboration will be necessary to create a long-term solution to a problem that goes beyond any individual company's supply chain. Multi-stakeholder initiatives can play a key convening role.

It is important to note that the hidden nature of child labour, forced labour and human trafficking in global supply chains reflects both the complexity of production processes and data limitations. Data gaps, owing to the lack of regular child labour and forced labour national surveys in several countries, and the difficulty of generating detailed data on the prevalence of these phenomena in specific suppliers operating in the upstream segments of global supply chains, significantly limit the ability of stakeholders to prioritize areas or industries where action is most urgent, but these gaps should not be used as a reason not to undertake due diligence beyond immediate suppliers.⁵ Within this context, governments can play a role to collect better quality national data.

Supporting subcontracted workers, in particular home-based workers who are often isolated and vulnerable, is challenging and must be achieved in a way that does not jeopardize their livelihoods. Workers in the informal sector need long-term access to and support from civil society organizations and union organizers to gain a greater understanding of their rights and increase bargaining power.

⁴Alliance 8.7 report, Ending child labour, forced labour and human trafficking in global supply chains, ILO, OECD, IOM, UNICEF - Geneva, 2019. https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---ipec/documents/publication/wcms_716930.pdf

⁵ Alliance 8.7 Report, Ending child labour, forced labour and human trafficking in global supply chains, ILO, OECD, IOM, UNICEF - Geneva, 2019. https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---ipec/documents/publication/wcms_716930.pdf

Finally, child labour thrives where access to education is limited. Governments, with the support of civil society organisations, can ensure access to education for vulnerable children in these production communities, to address a root cause of child labour, and civil society organisations have a key role to play in working with governments and communities to change mind-sets around the value of education and ensure adequate national-level support for comprehensive schooling opportunities.

Discussion questions

- What do outsourced, “hidden” garment supply chains really look like and what are the workers’ rights abuses documented within them?
- What role do some of the new Transparency and Due Diligence Laws and other government guidance play in raising awareness and resources for companies to focus on addressing these abuses, and do they drive impact into hidden production?
- What are examples of positive advancements on these issues within companies? What are the limitations to advancing further, faster? How can brands successfully engage suppliers as partners to achieve the needed changes?
- What obligations do companies have to the communities at the bottom of their supply chains from which they source labour and production, but currently may not benefit from corporate responsibility or compliance programmes?
- What role can civil society organizations play in reaching bottom supply chain workers and ensuring rights and protections, especially for children?
- What are the most important next steps required from all stakeholders to protect workers and children in the apparel industries in subcontracted and hidden supply chains?

For more information

- Blum Center for Human Rights, University of California, Berkeley, Tainted Garments, January 2019, <https://blumcenter.berkeley.edu/publications/tainted-garments/>
- US Department of Labor, List of Goods Made by Child Labor and Forced Labor, September 2018, <https://www.dol.gov/sites/dolgov/files/ILAB/ListofGoods.pdf>
- Fair Wear Foundation, The Face of Child Labour, 2018, <https://api.fairwear.org/wp-content/uploads/2018/12/FWF-childlabourpublication-DEF-web-002.pdf>
- International Labor Organisation, Ending child labour, forced labour and human trafficking in global supply chains, November 2019, https://www.ilo.org/ipec/Informationresources/WCMS_716930/lang--en/index.htm
- Good Weave www.goodweave.org
- Ethical Trading www.ethicaltrading.org
- Fair Labor www.fairlabor.org
- Wiego <https://www.wiego.org/>
- Global March <https://globalmarch.org/resource-centre/research-publications/>
- Stop Child Labour <https://stopchildlabour.org/about-child-labour/>

About GoodWeave International

GoodWeave International works to stop child labour in global supply chains. GoodWeave partners with wholesalers and retailers to ensure textile production is fully mapped through all tiers to reach “bottom supply chain” workers with remedy and rights. Tapping 25 years of experience, the organization also builds capacity of partner organizations to achieve similar results across global supply chains. Currently GoodWeave has 180 brand partners, has reduced child labour prevalence in the South Asian carpet industry by 80%, and has directly rescued 7,000 children from servitude. The GoodWeave label offers the best assurance that no child labour was used in the making of a product.