

## Country Plan India 2015

### 1. Introduction

India is one of the four world's largest developing producer countries alongside China, Bangladesh and Turkey.

According to Fair Wear Foundation's (FWF) audits in India, the most common problems related to labour standards include the following:

- No existing living wage
- Excessive overtime
- No legally binding employment relationship
- No Freedom of Association or the right to collective bargaining

The FWF audit reports show that workers are paid minimum wage, an insufficient way to make a living, according to local stakeholders. The Indian minimum wage committee uses very conservative figures to arrive at the minimum daily wage. Minimum wage is also paid based upon the skill set of workers. Since there is no system to certify the level of workers' skills, most workers remain in the 'un-skilled' category, which is the lowest wage level.

In addition to a low wage level, many workers are not aware of how their wages are calculated. They are therefore unaware how their salary, overtime compensation and social security payments are calculated. The audit team observed several cases of incorrect or missing overtime records and missing social security payments. Many workers report excessive working hours without proper payment. Most of the workers are not aware of their rights for social security benefits.

Since April 2013, India has passed the *Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013*. This newly enacted law emphasises the existence of internal complaints committees (ICC) at all workplaces to address and prevent violence against women in the workplace. The audit team observed that most factories have not set up systems according to this new law. Workers, on the other hand, are neither aware of the law nor its requirements. In only a few factories the FWF team could verify that there is a committee in place. In most cases workers are clueless about the existence of a committee because the committee members are not democratically elected. The internal grievance mechanisms, therefore, are not functioning as they should.

Other common problems specific to India are related to factories that employ workers through subcontractors, especially during peak season. These workers are usually denied any kind of legally binding employment relationship. Female line supervisors are rarely found on the factory floor. Especially in South India, middle management is usually male whereas the workforce is largely female. The legally required crèches and restrooms per the Factories Act usually exist but are not functioning due to a lack of trained staff and equipment.

In addition to the aforementioned concerns, the export-oriented garment industry in India is restricting the mobility of young workers staying in dormitories. This is often found in South India, where it is normal to employ migrant workers from distant Indian states with



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different language and backgrounds. FWF observed that the migrant workers who live in dormitories are not allowed to leave factory premises, or to visit their homes during holidays. They are neither allowed to receive visitors from family without the presence of a management staff, nor allowed to have or use mobile phones. These restrictions must be addressed carefully, taking Indian cultural differences into consideration.

Around 370 factories are supplying forty-one affiliates in India.

In 2015 the work of FWF in India will focus on the implementation of the Workplace Education Programme, to raise awareness on labour rights and grievance mechanisms as well as to establish Internal Complaints Committees (ICC) according to the Indian *2013 Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act*. Trainings will be arranged for management, line supervisors, workers and ICC members over the course of a year. In addition to that, FWF has developed a curriculum to train existing male line supervisors on soft skills and interested female workers to become line supervisors on soft and technical skills. The first series of trainings for line supervisors and workers from approximately ten factories in Bangalore and Tirupur will be presented in 2015. With these trainings, participating factories are given the chance to address gender equality at the line supervisor level – and to call attention to a predominately male middle management in a predominately female work force.

The verification will focus on factory audits with the local FWF audit teams and effective complaints handling.

## 2. Country study

Fair Wear Foundation will regularly publish updates on important challenges in the Indian garment industry to stay current on recent trends within the industry. These publications, intended to support member companies in the process of code implementation as well as to inform local stakeholders in their work, will be based upon stakeholder interviews and other reliable sources.

### *Deliverables*

- Key indicators on India are published on [www.fairwear.org](http://www.fairwear.org) (Jan-Dec 2015).
- New benchmarks are collected for FWF's wage ladder (Jan-Dec 2015).
- The Indian country study will be updated and more regional specific (Feb-Aug 2015).



### 3. Audit training and audits

Fair Wear Foundation verifies the process of code implementation in production countries. This includes audits done by local audit teams.

#### *Deliverables*

- New auditors are trained and participate in audits as observers (Jan-Dec 2015).
- Auditors are updated on new FWF developments (during travels to India in 2015, tbd).
- In 2015 about thirty factory audits will be carried out in India (Jan-Dec 2015).

### 4. Complaints procedure

Fair Wear Foundation has a complaints procedure enabling FWF associated workers or their representatives in garment factories to file complaints about their working conditions and/or code implementation. FWF has a local complaints handler in four major Indian languages.

#### *Deliverables*

- The complaints handler is functioning well. Due to regional differences and various languages throughout India, FWF will have at least four complaints handlers covering the following languages: English, Kannada, Tamil, Hindi and Bangla (Jan-Dec 2015).
- During factory visits and audits, FWF makes certain the Code of Labour Practices is posted (Jan-Dec 2015).
- Information cards with the complaints handler's telephone number in the local languages is distributed to workers, which contributes to an increased awareness of the FWF complaints procedure among workers (Jan - Dec 2015).
- A baseline survey among workers and factory managers will be conducted on the existing knowledge of labour rights and of FWFs complaints procedure (Jan-Dec 2015).
- The Workplace Education Programme will be implemented at an additional ten factories throughout India to explain the functioning of FWF complaints hotline and the benefits of setting up functional grievance mechanisms. Trainings will be carried out in cooperation with the use of input of local stakeholders (Jan-Dec 2015).
- The first two series of trainings for existing male line supervisors and potential female line supervisors will be presented. Ten factories are to be recruited for trainings in Bangalore and Tirupur (Mar-Dec 2015).

## 5. Stakeholder consultation and engagement

Cooperation with stakeholders in production countries is essential for improving labour conditions in the countries where production for affiliates takes place. FWF consults with stakeholders in production countries particularly on the issues of policy and local labour conditions. Thus the stakeholders that partner with FWF are organisations that have a role in influencing or shaping the social dialogue in a production country. Therefore, stakeholders in production countries are instrumental in providing policy advice to FWF, solicited and unsolicited. FWF will consult the stakeholders in production countries on important issues within their field of competence.

FWF tries to work effectively with local stakeholders in India. In its strategy plan from 2011-2015, FWF committed to develop scenarios on how to improve industrial relations in its four priority countries.

Throughout 2015, FWF will continue to visit stakeholders to gather information and guide our trajectory. FWF verification staff will travel to India at least two times for stakeholder consultation with the more international and strategic organisations.

### *Deliverables*

- Stakeholder dialogue and updated study focusing on Sumangali (Jan-Feb 2015).
- Two functioning FWF local country representatives to coordinate activities, events and maintain contact with stakeholders in India (Jan-Dec 2015).
- Two round table conferences (one in Tirupur, one in Bangalore, preferably one additional in Delhi, tbd). These events should contribute to the process of strengthening local mechanisms that offer workers access to remedy by promoting learning between local initiatives and exchange of experiences. Through the roundtables FWF will also gather input for the Workplace Education Programme to strengthen FWF's complaints procedure (Jan-Dec 2015).
- The input from local stakeholders is integrated into support/advice given to companies in the process of improving working conditions (Jan-Dec 2015).