EPCH/LABOUR LAWS/2009

December 10, 2009

U.S. Department of Labor
Office of Child Labor, Forced Labor and Human Trafficking
Bureau of International Labor Affairs
200 Constitution Avenue, NW
Washington, D.C. 20210


Attn: Honorable Deputy Undersecretary Sandra Polaski

Dear Ms. Polaski:

The Export Promotion Council of India (EPCH or Council) hereby responds to the September 11, 2009, Federal Register notice by the U.S. Department of Labor (DOL) announcing an Initial Determination that DOL "preliminarily believes" Embroidered Textiles [Zari] and Stones produced in India "might have been mined, produced, or manufactured by forced or indentured child labor." The Initial Determination is unjustified and the Council strongly urges DOL, and the Departments of Homeland Security and State, to exclude Embroidered Textiles [Zari] and Stones from any final determination.

The Export Promotion Council for Handicrafts popularly known as EPCH is a company sponsored by the Government of India in the year 1986 and registered under the Section 25 of Indian Companies Act as an Export Promotion Body for promoting Indian handicrafts world over. The council has a membership of around 7000 Indian exporters spread all over India. EPCH functions as a catalyst between the exporters, Government Agencies and the foreign buyers. It can be very easily defined as an arm of both Government and the Industry, to aggressively promote exports of handicrafts from India to various destinations in the world. EPCH functions under the overall export promotion policies of the Government of India, keeping in view the larger interest of the handicrafts industry.

(An ISO 9001 : 2000 certified organization)
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The Embroidered textiles and stones products forms part of the Indian Handicrafts. We, through our member exporters try and ensure that these products are produced in accordance with the Indian laws, rules and regulations and those producers do not enter into any activity which is contrary to the laws and procedures.

We would like to inform you that there are provisions, rules and procedures enacted by Govt. of India for stopping the misuse of child or forced labour. These are as follows:

India is a vibrant democracy with an impeccable record of protecting human rights and is signatory to several international conventions, which ban the use of child labour, including ILO Forced Labour Convention, the ILO Abolition of Forced Labour Convention [ No. 105] and the UN Convention on the Rights of the Child. It has enacted laws prohibiting the use of child labour, put in place monitoring and implementation mechanism to ensure adherence to these laws and constituted an elaborate system of conducting surveys, obtaining feedback and imposing strict penalties for non-compliance if any is found. In doing so, the Government has consistently involved civil society and stakeholders to ensure that children have access to education, health and insurance. At the very outset, the Government would like to highlight that its efforts have consistently been to eradicate all forms of child labour, not just the “worst forms of Child Labour” currently under investigation. India’s commitment to prevent any form of child labour is reflected in her comprehensive regulatory mechanism used to address the issue, which is described below:

**INDIAN REGULATORY MECHANISM**

The prohibition of child labour is deeply ingrained in the Indian legal and regulatory system and is explicitly prohibited by the Constitution of India, Article 24 of which stipulates that:

"No Child below the age of fourteen years shall be employed to work in any factory or mine or engaged in any other hazardous employment".

The prohibition is further strengthened by clauses contained in the “Directive Principles of State Policy” which guide all decision making at the national and sub-federal level. Article 39 [c] of the Constitution directs States to ensure that:

"that the health and strength of workers, men and women and the tender age of children are not abused and that citizens are not forced by economic necessity to enter avocations unsuited to their age or strength"

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Further, Article 39 [ f] mandates that the Government shall in the formulation of its policy ensure:

"that children are given opportunities and facilities to develop in a healthy manner and in conditions of freedom and dignity and that childhood and youth are protected against exploitation and against moral and material abandonment".

The Constitutional mandate is emphatic, in that the Government of India is duty bound to ensure that children are not employed or forced by economic necessity into unsuitable activities. In order to give effect to these Constitutional requirements, the Government of India enacted the Child Labour [Prohibition & Regulation] Act, 1986 [CLA], which was the culmination of several decades of deliberations by various committees and commission constituted by the Government of India. The cornerstone of the Child Labour Act is the outright ban imposed on the employment of children below the age of 14 in any hazardous occupation or process. The Child Labour Act does not merely imposed a ban on the employment of children, it also lays down strict penalties for the employment of children, including imprisonment and the levy of substantial fines. To ensure this law effectively, surprise rate are conducted by the Government machinery on units suspected to be engaging forced child labour from time to time and prosecutions are held under provisions of the law.

The Indian Government is aware of the fact that a mere prohibition of child labour without addressing the issues behind its existence would not be a truly effective solution to the problem and consequently, the National Child Labour Policy formulated in 1987 with the basic objective of suitably rehabilitating the children withdrawn from employment and to reduce the incidence of child labour, where it exists. The policy consist of three main ingredients:

**Legislative Action Plan** for strict enforcement of Child Labour Act and other labour laws to ensure that children are not employed in hazardous employment, and that the working conditions of children working in non-hazardous areas are regulated in accordance with the provisions of the Child labour Act. It also entails further identification of additional occupations and processes, which are detrimental to the health and safety of the children.

**Focusing of General Developmental Programmes for Benefiting Child Labour**:
As poverty is the root cause of child labour, the action plan emphasizes the need to cover these children and their families also under various poverty alleviation and employment generation schemes of the Government.

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Project Based Plan of Action envisages starting of projects in areas of high concentration of child labour. Pursuant to this, in 1988, the National Child Labour Project [NCLP] Scheme was launched in 9 districts in the country.

Further, in order to ensure that the Indian regulatory framework is supported by an effective implementing monitoring and enforcement mechanism, the Government of India has put in place several processes to ensure that it receives continuous feedback from all stakeholders, civil society and other governmental agencies.

SYSTEM FOR MONITORING & EVALUATION OF CHILD LABOUR IN INDIA

The GOI has established an elaborate institutional mechanism for upholding the rights of the children, promoting their welfare and eradicating the use of child labour from all industries. The GOI consistently works with the industry, Non Governmental Organisations [NGO] and other agencies in securing the rights of children and for the eradication of use of child labour of both legal and illegal form. The various mechanism used by the GOI towards this end are explained below:

India was one of the first signatories to the International Program on the Elimination of Child Labour [IPEC] under the aegis of the International Labour Organization [ILO]. For the purposes of effective implementation the projects under the IPEC, the GOI has established the National Steering Committee [NSC] with Labour Secretary, GOI as the chairman of the committee. The NSC comprise representatives from the GOI, NGOs and the ILO. The NSC committee actively monitors all the projects carried out under the IPEC for the elimination of child labour in India.

PROVIDING SCHEMES FOR THE WELFARE, SUPPORT AND INSURANCE

The Government of India is aware of the need to ensure that children and their families are not placed in situations, which could constitute a threat to their well being and has taken steps to provide free education for all children, mid-day meals for school children and a health insurance scheme specifically targeted at the families of all artisans. The primary objective has been to ensure that a child is not forced into working even in his/her own home and that his/her family has means to ensure that he/she is educated, fed and kept in good health. Any ban on the employment of child labour would be ineffective without these initiatives, which are targeted at removing the compulsions behind engaging in child labour. These initiatives have been taken at every level and some of the notable initiatives are highlighted below:

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The National Child Labour Project Scheme [NCLP]: The NCLP Scheme is the flagship scheme of the Government of India which was launched in 1988 in 9 districts in the country to address the root causes of child labour and to ensure that the ban on employment prescribed under the CLA was effective and sustainable. The scheme was aimed at the rehabilitation of child labour and under the NCLP Scheme, district Project Societies are funded by the National Government for the specific purpose of establishing special schools and "Rehabilitation Centres" for the rehabilitation of child labour. The NCLP Scheme envisages running of special schools for child labour withdrawn from work. In the special school, these children are provided formal / non-formal education along with vocational training, a stipend of Rs. 100 per month, supplementary nutrition and regular health check ups so as to prepare them to join regular mainstream schools. Under the Scheme, funds are given to the District Collectors for running special schools for child labour. Most of these schools are run by the NGOs in the district. The coverage of the NCLP Scheme has increased from 12 districts in 1988 to 100 districts in the 9th Plan [1997-2002] and to 250 districts during 10th Plan [2002-2007].

The Sarva Shiksha Abhiyan [Universal Education] Scheme [SSA]: The Indian Government is also undertaking a number of welfare initiatives for tackling the root causes of the problems of child labour. Since the absence of educational opportunities in early childhood is a leading cause of child's entry into the labour market, the Indian Government has launched a nation-wide initiative to ensure universal access to elementary education. This program was launched in the year 2001 and aims to attain universal elementary education in India by 2010. Besides creating a vast educational infrastructure to ensure a free primary school education within one kilometer of every habitation, the Government is also providing free mid-day meals to the students in these schools. There has been a continuous growth in the number of schools.

Health Insurance Scheme: The Government of India in April, 2007 started a health care insurance scheme for handicrafts artisans at nominal premium by artisans, christened as Rajiv Gandhi Shilpi Swasthya Bima Yojana. The Scheme aims at financially enabling the artisan's community to access to the best of healthcare facilities in the country and entails a contribution of 80% of the premium amount by the Government and 20% by the artisans. This scheme covers not only the artisans but his wife and two children also. Under this scheme, the insurance company to whom the premium is paid shall pay/reimburse expenses incurred by the artisans in course of medical treatment availed of in any hospital or nursing home within the country, subject to limits/sub-limits.

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Employment Guarantee Scheme: Besides the direct interventions such as the ones mentioned above, Government has launched a massive employment Guarantee Programme, which ensures a minimum of 100 days employment to all the families in the rural area. All these initiatives are meant for discouraging the employment of children.

ROLE OF THE INDIAN JUDICIARY IN PREVENTING THE USE OF CHILD LABOUR

India is a large and vibrant democracy, which abides by rule of law. The Indian judiciary, lead by Supreme Court of India has played an active part in ensuring that any form of child labour, let alone the worst kinds, is permitted to exist in India.

In 1996, the Hon'ble Supreme Court of India in its judgment in the case of M.C. Mehta Vs. State of Tamilnadu gave certain directions regarding the manner in which the children working in the hazardous occupations were to be withdrawn from work and rehabilitated as also the manner in which the working conditions of the children employed in non-hazardous occupations were to be regulated and improved upon.

In pursuance with the directions of the Hon'ble Court, fresh child labour surveys were conducted in several districts of the country and the States were directed to step up enforcement measures. The Hon'ble Supreme Court is monitoring the directions issued in this judgment and is playing an active role in ensuring that child labour practices are eradicated from India. Consequently, in addition to the sound monitoring, evaluation and implementation mechanisms administered by the Government of India, the Indian Judiciary also plays a part in ensuring that child labour of any kind is strictly prohibited.

Since, the Council is the exporter's body and the exporters are constantly made aware of the issues which may lead to the sanction being imposed against the products through various open house discussions and seminars throughout the year. The Council believes that observations of the Labour Department are based on newspapers reports or other reports compiled from time to time. The Council finds that most of these reports considered by the Labour Department are more than one year old. It is understood that more than a year old information is not considered while taking decisions which have far reaching consequences in various parts of the world concerning the livelihood and the current economic situation. The only report covering rescue of child workers from a Zari (brocade) units in Sclampur, East Delhi is of June, 2008. This is also more than one year old. We have since investigated this report and found that manufacturer was producing zari goods but he is not an exporter. He may be small producer selling his produce in the local market. He, however, has nothing to do with the export sector.

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It is pertinent to point out that UNICEF had undertaken a survey in India concerning child labour. It was found that zardozi manufacturing sector in mostly confined to the household. It is not an organized sector operating from a commercial location. Most of the zardozi produced in the household by the elders who have skills to do so. The UNICEF survey has also covered children in such household. Their findings were that the children in these household go to schools and in spare time assists elders and are not in way forced to undertake the activity. However, the small percentages of children which do not go to school prefer the vocational training learning traditional craft at home and have raised questions about the quality and relevance of the education i.e. provided in the schools. Further the report also suggests that hardly any children in the non-home based work households are working. This is an independent survey of UNICEF and report is titled “The Subterranean Child Labour Force: Subcontracted Home Based Manufacturing In Asia” This further supports the argument that the forced child labour is not used.

India has schemes for welfare of the children, their education, meals and schooling etc. Realizing that children start working in the Industry only because of poverty and to supplement the income of their parents, Government has already introduced National Level Scheme for guaranteeing employment to masses in India. It is also important to note that India is a developing country and is in a state of transition and this stage of transition of economic development may also be considered while taking into account any steps taken with respect to the forced labour law problem.

The Council has already explained in great details in the foregoing paragraphs the Indian laws prohibiting use of child labour. The action if initiated against Embroidered Textiles (Zari) and Stones products from India, just on the basis of certain illegal activities undertaken by the unscrupulous elements of the society would discourage and effect the genuine exporters/manufactures and artisans who adhere to all necessary compliances that are in place for international trade. Such blanket ban would severely affect the livelihood of the millions of artisans engaged in producing the crafts.

The Govt. of India and Govt. of US are entering into strategic agreement on various aspects of development of human life and it is, therefore, necessary that the trust is developed between two countries including child labour issues.

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We hope the above arguments will convince you that in India particularly in the Embroidered Textiles [Zari] and Stone industry, use of child or forced labour is not prevalent at all and whenever such a situation arises, the Laws in India can act against those individuals.

Respectfully Submitted

Rakesh Kumar
Executive Director

Raj Kumar Malhotra
Chairman
Additional Comments on the TVPRA Bibliography

1. The Export Promotion Council for Handicrafts (EPCH) hereby submits additional comments on certain specific cases cited in the bibliography provided by the US Department of Labor (DoL) for the TVPRA list. These submissions would also elaborate on measures adopted by the export industry and the Government of India to address the incidents of child labour so cited.

2. EPCH had previously submitted comments on December 10, 2009 and January 22, 2010 regarding the inclusion of Zari products from India on the EO and TVPRA Lists of 2009. These comments detailed measures adopted by the government and industry in India to completely eradicate the problem of child labour in the country. Substantial progress achieved over the last few years in tackling a serious socio-economic problem was also reported. Data on implementation of laws, compensation, rehabilitation and persuasion to curtail the social nuisance was also provided. As pointed out earlier, these efforts and the progress achieved have been acknowledged by international agencies like the UN agencies and other governments including the US Department of Labor in the 2009 report on “Findings on The Worst Forms of Child Labor”.

3. These additional submissions may further help the US DoL to appreciate EPCH’s position that the information provided in the bibliography for inclusion of Embroidered Textiles (Zari) in the TVPRA list lacks adequate appreciation of facts and law. We propose to deal specifically with the sources of information contained in the bibliography which form the basis for the present action.

4. The US Department of Labor's List of Goods Produced by Child Labor or Forced Labor 2009 is a report required by the Trafficking Victims Protection Reauthorization Act (TVPRA) of 2005 and 2008. The purpose of the Report as proclaimed is to present the Department of Labor’s Bureau of International Labour Affairs’ (ILAB) implementation
report and initial List of Goods Produced by Child Labor or Forced Labor (List) pursuant to the TVPRAs' of 2005 and 2008. The TVPRA called on ILAB to carry out additional activities to monitor and combat child labor and forced labor in foreign countries.

5. Notice of Procedural Guidelines (Guidelines) for the development and maintenance of a list of goods from countries produced by child labor or forced labor in violation of international standards was published in Federal Register / Vol. 72, No. 247 dated December 27, 2007.

These Guidelines require consultation with other departments and agencies of the United States Government to reduce forced and child labor internationally and ensure that products made by forced labor and child labor in violation of international standards are not imported into the United States.

6. It shall be noted that data from the INDUS, the Indo-US Child Labor Project (joint project of the Government of India’s Ministry of Labor and the U.S. Department of Labor) 2001-2009 which was designed to perform functions to minimize instances of child labour throughout the country, would have been extremely helpful in reaching positive conclusions regarding the current status of constructive efforts in place to eliminate child labour in India.

The ILO's International Programme on Elimination of Child Labour's (IPEC) Subregional Information System has noted that with the INDUS Child Labor Project in place, around 115,000 children were withdrawn or prevented from entering child labour through the provision of educational services or training opportunities. Further 9,232 families received access to micro credit from the project income generating component. The IPEC thought it worth pointing out that 5,770 mothers have taken up supplementary economic activities in target districts and sectors as a result of project interventions on income generation and skill upgradation. Most notably, 31,214 children in the 9 - 13 age
group and 14,122 children in the 5-8 age group were enrolled in schools. Further, 21,250 adolescents completed vocational training programmes in all five subject states of Delhi, Madhya Pradesh, Maharashtra, Tamil Nadu and Uttar Pradesh.

7. The Government of India had not received any prior notice to inclusion of such goods from India on the TVPRA list. If prior intimation was provided to the Government of India and a consultation was afforded then EPCH would have been notified in time and could provide assistance to rest any apprehensions that the US DoL might have about instances of child labour. EPCH, the apex body for promotion and regulation of handicrafts from India was not notified and hence could not present evidence to exclude Indian zari products from the TVPRA list.

8. We would like to point out that the Guidelines list certain sources of information and factors which have to be considered in the development and maintenance of the TVPRA List. These compulsory factors are:
   a. Nature of Information
   b. Date of Information
   c. Source of Information
   d. Extent of Corroboration
   e. Significant Incidence of Child Labour and Forced Labour

9. If we examine the Bibliography substantiating the inclusion of Zari on the TVPRA list, we find the following:
   a. *Calcutta News.* "62 Child Workers Rescued in Delhi." June 12, 2008; available from
      The news item reports the immediate action which was initiated by the enforcement and rehabilitation agencies after the rescue of the children
engaged in child labour activities. Rescued children were presented before the Children Welfare Commission and awarded compensation too. The website cited above also published the efforts and actions taken to remedy the child labour scenario.

The information from the same website follows up the report within a month of the above publication with news that export councils and industry members were asked to keep strict check on employment of child labourers. It also reported how the High Court of Delhi initiated proceedings *suo moto* to look into child labor incidents and directed the National Commission for Protection of Child Rights (NCPRC) to formulate an Action Plan to eliminate child labour from Delhi. The Delhi Action Plan as it is called has since been formulated and all agencies involved in formulating the policy and enforcing the policy are part of the Action Plan making it a powerful instrument for resolving the issue of child labor.


The news article emphasizes on how information regarding child labour has not percolated to everyone in India and as a result the problem continues to persist. While taking note of the conditions of work for such children and also commenting on the amendments in Indian laws against child labour, the article informs the reader of the ill-practice of child labour to invite attention and constructive action to curb the same. It is not clear whether the units for Zari work in Kotla Mubarakpur New Delhi, as reported, were export oriented or supplied only locally. EPCH regulates its members with strict candor about issues concerning child labour and such incidents would not go unnoticed. Moreover, The Delhi Action Plan, referred to earlier, for Elimination of Child Labour specifically concentrates on the Kotla Mubarakpur area in South Delhi for immediate actions.
c. ILOIPEC. *Child Labour Wages and Productivity: Results from Demand Side Surveys.* Geneva, May 2007; available from
The cited ILOIPEC study is not available on the given hyperlink. EPCH requests the US DoL to kindly make a copy available for comments.

The survey does not specify who the respondents were and what kind of incidents they reported. The credibility of these respondents cannot also be verified and therefore EPCH is not in a position to react to the allegations in the report. It is imperative that researchers indicate the source of the factual information as well as the details of any counter-views.
The report also does not take into account other material available even in the public domain. As is evident there seems to be some disconnect between what is provided in the Macro report and the actual facts on ground particularly in the garments sector.


In this case, it is an admitted fact that one of GAP’s vendors was found to be violating their agreement and a full investigation is under way. The incident was reported more than two years ago, no such incident has been reported thereafter. This clearly establishes such an incident could at best be reflective of a stray incident which cannot possibly be construed as “existence” or “prevalence” of child or forced labor. Further, the report categorically states that even this incident involved only one of the vendors of GAP. Nevertheless,
the fact is that GAP took immediate corrective action by cancelling orders from the said vendor. GAP also followed up with a summit of its North Indian vendors on November 2, 2007 to reinforce its “zero tolerance” policy against child labor and the implications of non-compliance. An Indian child advocacy organization, BBA, and the Indian government also worked closely with GAP to ensure that the children found in the makeshift facility were cared for and reunited with their families.

GAP has also put additional procedures in place to ensure such acts are not repeated. As explained in the earlier comments on this issue, buyers exert pressure to ensure that such acts are not committed by the vendors in India. This was followed by a conference by GAP in the spring of 2008 in association with Ministry of Women and Child Development (Government of India), various United Nations organizations, other brands/retailers and suppliers on the issue of human trafficking and Child Labor in the garment supply chain helped launch a nationwide platform for public-private partnership between the government, civil society organizations, as well as the broader garment industry to jointly combat the issue of human trafficking and child labor in the garment supply chain.

A direct result of this initiative is the partnership between Gap Inc., Impulse (a Buying House in India), their common suppliers and a government-aided NGO called Society for Promotion of Youth and Masses (SPYM) in the Mewat region of North India, to ensure complete elimination of the possible use of child labor.

Such action and enforcement over even stray incidents is possible only when the government agencies and industry in India are clear that they would not tolerate any non-adherence to the laws of the land.

The cited report is not available in public domain. EPCH requests the US DoL to kindly make a copy available for comments.

g. **Seeds of Change: Impact of Intervention by Bayer and Monsanto on the Elimination of Child Labour on Farms Producing Hybrid Cottonseed in India.** Study jointly commissioned by OECD Watch, et al. June 2007

The cited report pertains to farms producing Hybrid Cottonseed and not Zari manufacturing. The report's nature of information does not provide evidence on instances of child labour in the Zari industry.


i. **The Observer, "The Price of Sparkle is Child Slavery."** April 30, 2006; available from http://www.business-humanrights.org/Updates/Archive/Observer-Thepriceofsparkleischildslavery

The two cited reports present certain locations in New Delhi as child-labour hubs and describe the conditions from which these children were rescued. The Kotla Mubarakpur area, in South Delhi has received special attention from media coverage and concerned NGO's and citizens. Such attention attracts constructive action to put a stop on child abuse. The Delhi Action Plan for Elimination of Child Labour has identified the area of Kotla Mubarakpur, South Delhi for special actions to dissuade manufacturers from employing children. Such special attention to the area by the enforcing authorities is evidence of proactive steps taken by the government to establish a strict rule of law against child labour.
j. The Statesman. "500 Child Labourers Rescued from Embroidery Units." November 22, 2005

k. The Tribune. "200 Bonded Children Rescued." November 22, 2005

l. The Times of India. "500 Kids Rescued from Zari Units." November 22, 2005;
available from

http://www.articlearchives.com/laboremployment/workercategorieschildlabor/18485111.html

The above cited three reports were published on the same date and reported the same incident. Multiple references of the same instance cannot qualify as significant incidence of prevalence of child labour. The procedural guidelines require that Information that relates only to an isolated incident of child labor or forced labor, will ordinarily not weigh in favor of a finding that a good is produced in violation of international standards.


The said UNICEF Report was published in 2002 and the same was based on data collected vide a survey in 2001. The ILAB US DoL TVPRA List 2008-2009 cannot consider this data as it does not meet the requirement of seven years standing. The Procedural Guidelines insist that more current information will generally be given priority, and information older than 7 years will generally not be considered.

Even if this Report was to be given due weight, it has to be noted that the surveys conducted for this purpose were run at the household levels. Women were surveyed and samples were extracted from the living conditions while examining the socio-economic output of these households. It shall further be noted that the Report acknowledges that Zardosi is embroidery on garments, with gold thread, involving skills usually passed on from generation to
generation. This confirms that such skills and craft are surviving in the country due to the traditional approach of family apprenticeship. However, with the governments’ continuous efforts to eliminate child labour in any way or form at any level, the children of these traditional craftsmen do not actively participate in the economic activities of trade.

The Report evidences that out of all the children in the Zardosi household based workers, none contribute in the manufacturing activities. The Report also states that since these households are from the poorest classes of the society some 40%-50% of all children study and the rest work to assist in running the households. The Report also states that the children who did not attend school could not do so because of financial constraints. Lastly, it shall be borne in mind that these figures are more than a decade old and the statistics today are very different with work and efforts of governmental and non-governmental agencies producing results.

The EPCH does not offer memberships to household based enterprises. All its members are registered manufacturers and only such producers are permitted to export Zardosi from India. Therefore, the Report consists of information which does not corroborate facts of today and cannot be considered to prove a significant incidence of child labour in the Indian Zardosi Export Industry.


The above cited references are internal publications of the U.S. Embassy and Consulates in India. Such reports are classified and not available in the public domain. The procedural guidelines proclaim that In the interest of maintaining a transparent process, the Office will not accept classified information in developing the List. The Office may request that any such information brought to its attention be declassified. If submissions contain confidential or personal
information, the Office may redact such information in accordance with applicable laws and regulations before making the submission available to the public. The process of compiling such reports for the purposes of the U.S. Embassy could be transparent, but the Reports are not available for EPCH to study and comment. No reaction of the reports' information has been undertaken either. EPCH would request the US DoL to provide these reports so that appropriate reaction may be provided on these reports.


The above cited three references comment on the general state of affairs for Trafficking Victims in India. As a consequence of such trafficking, issues of child labour are also discussed. The three reports base primary analysis on data available from the 2001 Census of India, which is the last Census, but for the purposes of the TVPRA it is beyond the requirement of a minimum seven year time range data. The comments on child labour situations vary from acknowledgements that certain sectors have reported significant decrease in incidents of child labour from actions of NGO's or Government Agencies or even due to completion from China. Although implementation of child labour regulation laws has not been very stringent on all aspects, the Zari Export Industry has been under constant vigilance of EPCH and none of its members can export their products if they employ child labour.
10. **OVERALL SHORTCOMINGS WITH SOURCES OF THE US DoL**: The above analysis clarifies that the US DoL may not have compiled the most reliable list of references to establish significant incidence of child labour in the Zari export industry. For each good that was reviewed, ILAB was to evaluate each data source against each of the five criteria. ILAB researchers were to apply the criteria consistently across goods and countries, so that ultimate findings of “reason to believe” were consistent worldwide. However, if the results of such analysis do not satisfy each criterion even in the examination of one good, the process becomes vulnerable to counter-countenance.

11. **EFFORTS BY INDIAN GOVERNMENT LAUDED**: It is of interest that in the TVPRA 2009 List, while noting some exemplary efforts made by certain governments of the world, ILAB illustrates the achievements citing how the Government of India has invested in the National Child Labor Project, which operates at the district level to withdraw children from hazardous work and provide them education, stipends, meals, and health checkups. They further compliment how India has also invested in the Skill Development Initiative Scheme, which gives priority to children withdrawn from child labor and parents of child laborers to enter vocational training programs to improve their employability in safe occupations. Such acknowledgement validates the efforts of the Indian Government and Industry to eliminate child labour at all levels.

12. **INFORMATION ESTABLISHNG ABSENCE OF SIGNIFICANT INCIDENCE MOST RELEVANT**: In the Procedural Guidelines, the US DOL requests current information about the nature and extent of child labor and forced labor in the production of goods internationally, as well as information on government, industry, or third-party actions and initiatives to address these problems. Information submitted may include studies, reports, statistics, news articles, electronic media, or other sources. Information tending to establish the presence or absence of a significant incidence of child labor or forced labor in the production of a particular good in a country will be considered the most relevant and probative.
13. **HIGH COURT of DELHI's DIRECTIONS FOR FORMULATING AN ACTION PLAN**: To satisfy the request for such information, the EPCH would like to draw the attention of the US DoL towards the Order of the Delhi High Court dated 24.09.2008 to constitute a committee by the NCPCR comprising of various members, from the NCPCR and representatives from the departments of Government of National Capital territory (NCT) of Delhi, including the departments of Labour, Social Welfare, Education, Revenue and Health. The Commissioner of Police and the Commissioner of Municipal Corporation of Delhi was also part of the Committee. The directions given to this Committee were to formulate an action plan to eliminate all forms of child labour in New Delhi. The plan so formulated is called the Delhi Action Plan for Total Abolition of Child Labour. This is a pilot project to be mirrored in other states after review and first implementation reports are drawn.

14. **DELHI ACTION PLAN FOR TOTAL ABOLITION OF CHILD LABOUR**: According to the National Commission, the child labour profile in Delhi is of two types namely, out-of-school children living with their parents in Delhi and migrant children from other states who have left their family behind.

15. **STRATEGIES**: The Action Plan for Total Abolition of Child Labour is based on two strategies. The first strategy is an 'Area Based Approach' for elimination of child labour, wherein all children in the age group of 6 to 14 years would be covered whether they are in school or out-of-school. The second strategy is an approach to be adopted in the context of migrant child labour. It involves a process of identification, rescue, repatriation and rehabilitation of child labour.

16. One of the objectives of the Area Based Approach is to mobilize and build consensus on the issue of total abolition of child labour by universalizing elementary education. The
plan attains to mobilize and build consensus by holding public meetings, rallies and by involving Municipal Councilors, RWA's etc. The Strategy for Unaccompanied Migrant Child Labourers in Delhi is based on “Protocol on Prevention, Rescue, Repatriation and Rehabilitation of Trafficked and Migrant Child Labour” issued by Ministry of Labour and Employment, Government of India, 2008.

17. **TRANSITIONAL EDUCATION**: Transitional Education Centre under the National Child Labour Plan or the Non-Residential Bridge Course under the Sarv Siksha Abhiyan, functions for children in the 9-14 age group. These centers encourage child workers to quit their employment and enroll themselves in schools. The role of the centers will come to an end, once the children are motivated to withdraw themselves from work and get enrolled in schools.

18. **RESCUE TEAM AND ITS OPERATIONS**: The most important role is of the Rescue Team for Rescue Operations. The Task Force is constituted of various members, including:

- The Representative of the Department of Labour in the District, not below the rank of Assistant Labour Commissioner;
- Sub-Divisional Magistrate concerned;
- The Head/Nodal Officer of Special Juvenile Police Unit (SJPU);
- District Social Welfare Officer/District Child Welfare Officer;
- Deputy Education Officer (Zonal) of MCD (wherever applicable);
- The Senior-most Officer of the Factory Licensing Department of MCD (wherever applicable);
- A Member of the concerned CWC (to be nominated by its Chairperson);
- Centre Coordinator of CHILDLINE having jurisdiction over the area;
- At least one NGO/VO actively involved in the rescue and rehabilitation of child labour.
- The rescue team must keep in mind that the rescued children kept in the home are accompanied by few local youth from the respective state to comfort the children.
19. The entire rescue operation is conducted in two parts. The first being the preparation, which includes receiving information and verifying the facts accordingly; debriefing the Task Force for the operation; assigning responsibilities and clarifying procedures to be followed during the Rescue Operation. The Action Plan provides for procedures post-rescue also. These include the interim care of the rescued children through a medical examination; organized legal proceedings before the Child Welfare Commissioner; collecting and evidence from the place of rescue and preparation of the charge-sheet. Special guidelines for the repatriation, rehabilitation and social reintegration of the children are also detailed in the Action Plan.

20. **STATE AND JUDICIARY- EFFORTS ON THEIR OWN MOTION**: Such an elaborate plan with step by step strategies is a big leap forward for government planning for elimination of child labour. The Delhi High Court on it’s own motion invited NGO’s and Government Agencies to submit reports and strategies examining the child labour situation in Delhi and observed as follows:

"On a perusal of CLPRA, 1986, we are of the view that under the said Act, only child workers employed in scheduled occupation and processes can be liberated and children employed above the age of 14 years cannot be rescued.

However, in our view, the Juvenile Justice (Care and Protection of Children) Act, 2000, would apply to children between the age of 14 and 18 years as well as to those children employed below the age of 14 years in non-scheduled occupation and processes. Consequently, the said children would be governed by the Juvenile Justice (Care and
Protection of Children) Act, 2000 as well as Bonded Labour System (Abolition) Act, 1976, if applicable and not by CLPRA, 1986, as stipulated in the Delhi Action Plan prepared by the National Commission.

The responsibility of lodging a police complaint against an employer employing child labour would lie with the Delhi Police.

It is further clarified that the recovery of fine of Rs.20000/- as stipulated by the Supreme Court in M.C. Mehta’s case will not have to await a conviction order of the offending employer. The said amount would be recovered as arrears of land revenue and the said amount would be utilized for the educational needs of the rescued child even if the child has subsequently crossed the age of 14 years.

We accept the Delhi Action Plan which provides a detailed procedure for interim care and protection of the rescued children to be followed by Labour Department as prepared by the NCPCR."

21. Such a stance by the High Court of Delhi sets the trend for a strong jurisprudence against the practice of child labour in India. The acceptance of Delhi Action Plan for Total Abolition of Child Labour makes it mandatory for executive authorities to take compulsory steps as prescribed by the Action Plan.

22. **UNCLEAR OBJECTIVES OF THE US DoL**: Finally, EPCH would like to comment on contradictory objectives presented by the US DoL for preparing the TVPRA List. In the Procedural Guidelines, published in the Federal Register on 27 December 2007, it is stated that *ILAB should ensure that products made by forced labor and child labor in violation of international standards are not imported into the United States*. Whereas, upon publishing the 2009 TVPRA List, it is stated that *in conducting research, ILAB did
not distinguish between goods produced for domestic consumption and for export, due to data limitations and the fact that this was not part of the mandate of the TVPRA. It is further stated, that the primary purposes of the TVPRA List are to raise public awareness about the existence of child labor and forced labor in the production of goods in the countries listed and to promote efforts to eliminate such practices. The List is not intended to be punitive in nature.

If the TVPRA’s mandate is only to collect data regarding significant incidence of child labour in production of certain goods without distinct differentiation between goods produced for domestic consumption and those produced for export purposes, it is unfair to restrict entry of goods into the USA simply on a generalised investigation into the production of such goods. If the TVPRA List is meant only to raise awareness and is not intended to be punitive in nature, trade sanctions in form of restricted entry of exported goods cannot be so justified.

23. **CONCLUSION:** In conclusion, we would like to reiterate that the ILAB recognizes that India may not have the most serious problems of child labor or forced labor. It is recognized by the ILAB that often, countries like India adopt a more open approach to acknowledgement of the problems, have better research and have allowed information on these issues to be disseminated. Just as the number of goods on the TVPRA List from any particular country should not be interpreted as a definitive indicator that these countries have the most extensive problems of child labor and forced labor, the number of media accounts on an investigation and preventive or punitive action should also not be interpreted as an indicator of significant incidence of child labor. Wholesome reporting of such incidents help spread public awareness and encourage people to report such incidents to the regulating authorities.

24. Therefore, if exemplary efforts are most important for gradual elimination of child labour and the USA Government is concerned that goods produced by child labour in other countries might end up in their markets and the concerns are to raise awareness
and take remedial actions, India and the Zari export industry, are fulfilling all national and international obligations to continue fair and ethical trading with the best interests of the final consumers and the producing labourers.
EPCH’s Additional Comments- EO List

1. The Export Promotion Council for Handicrafts (EPCH) thanks the United States Department of Labor for this opportunity to provide additional comments regarding the inclusion of Embroidered Textiles (Zari) exports from India, under the EO list due to an apprehension that such textiles could be produced by forced or child labor.

2. EPCH under the aegis of Development Commissioner (Handicrafts), Ministry of Textiles, Government of India is a non-profit organization, established under the Export-Import (EXIM) policy of Government of India in the year 1986-87. It has created necessary infrastructure as well as marketing and information facilities, which are availed both by the member exporters and importers. EPCH is engaged in promotion of handicrafts from India.

3. This submission provides further details of government action and industry initiatives to tackle this problem. It also provides details of the recent recognition by international agencies like UNICEF and UNHCR of the efforts and accomplishments.

TWO-PRONGED STRATEGY TO DEAL WITH CHILD LABOR IN INDIA:

4. While EPCH would like to reiterate it’s earlier submission that exporters of Embroidered Textiles (Zari) from India strictly adhere to the international norms and obligations in the production process of these products it would also like to share with the US Department of Labor the approach of the Government of India and export industry in pushing for an elimination of child labor in India in some very unorganized sectors at the rural level and the progress achieved over the years.

EPCH’S EFFORTS TO CHECK CHILD AND FORCED LABOUR

5. EPCH has over 6000 members producing handicrafts for export and domestic consumption. In the year 2008-2009, Zari exports were a mere 2% of the total
handicraft exports. However, it shall be noted that the United States was the largest buyer of Zari products in the said period. Zari and zari products worth Rs. 46.5 Crores (approximately US$ 11 million) were exported to the United States, totaling 26.5% of the total zari exports. EPCH has noted that there has been a decrease of such imports through market forces in the past financial year up to 56%. Restrictive trade sanctions through inclusion of zari products in the EO List will hamper the industry with no valid cause.

6. **Advocacy by EPCH:** EPCH has since inception also advocated strict social responsibility norms for its members. The Council conducted 7 Seminars for its members in 2009 enumerating the common future vision to preserve and promote the industry. It was mandated that exploitation of child labour in the factories would be dealt firmly. It was also declared in the seminar that if any manufacturer or exporter is found enforcing child labour for the production of their goods than their products would not be allowed to be exported or sold in the market.

**Buyers Audit Indian Exporters on Social Compliance:**

7. Further, buyers of products from EPCH members also ensure that all international norms are fully met and they audit the Indian exporters to ensure they meet with the international obligations. Nearly every EPCH Member supplies goods to international buyers who are members of either the Supplier Ethical Data Exchange (SEDEX) or the Worldwide Responsible Apparel Production (WRAP) program.

8. Being a supplier to organizations that are affiliated to these not for profit organizations means that there is a specific need to meet the international obligations on social compliance. This, therefore, ensures that Indian exporters meet with all obligations that are in line with the policies in the country of export.
9. Besides selling to buyers who are affiliated to WRAP, certain EPCH Zari Manufacturer-Exporters are also affiliated to WRAP, which is a not-for-profit organization dedicated to promoting ethical, humane, and lawful conditions and practices in manufacturing facilities all around the world.

10. The WRAP program is the world’s largest facility certification program mainly focused on the apparel, footwear and sewn products sectors. Facilities receive a certification of six months to one year based on compliance with the 12 WRAP Principles. The Principles are based on generally accepted international workplace standards, local laws and workplace regulations which encompass human resources management, health and safety, environmental practices, and legal compliance including import/export and customs compliance and security standards. WRAP mandates the prohibition of forced and child labor.

11. SEDEX is a not-for-profit organisation based in the UK, open for membership to any company anywhere in the world. SEDEX is a membership organisation for businesses committed to continuous improvement of the ethical performance of their supply chains. SEDEX enables member companies to efficiently manage the ethical and responsible practices of their global supply chains, generating transparency through the provision of a data exchange.

12. SEDEX Membership mandates that the suppliers to such buyers enforce ethical norms of production and undergo mandatory audits to ensure the same. SEDEX has over 375 members, inclusive of subsidiary brands of primary buyers. SEDEX promotes ethical functioning for suppliers as a mandate for buyers to ensure that only best practices for production are promoted and consumers are confident of not purchasing exploitative produces.
13. The SEDEX Members Ethical Trade Audit (SMETA) Best Practice Guidance, 2009 prescribes detailed requirements for suppliers to fulfill regarding child and forced labour. The Guidelines make it imperative that there shall be no recruitment of child labour; companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child and children and young persons under 18 shall not be employed at night or in hazardous conditions.

14. The audits undertaken for SEDEX Members are comprehensive and the auditors ensure, amongst other things, that:

- He clearly states the law of the country/region in respect of this issue
- He checks system for checking workers’ ages. This is systematic and documentary evidence is retained, such as copies of original ID cards or other evidence that has been produced. The evidence produced will vary from country to country and wherever possible should be cross-referenced to an independent source. The facility management should also be questioned to check whether they are aware of how to check for fraudulent documents.
- He checks records of hirings and terminations for the previous 12 month period to see whether there is a pattern of young workers being sacked in the run-up to the audit.
- Particular attention is paid to any training schemes in operation. Conditions relating to these are clearly stated and where such systems exist, registration with local authorities is cross-checked. Where workers are under age, contracts are verified, if they have been signed by a parent or guardian.
• Workers selected for interview are questioned about the company’s policy concerning employing children and young workers to ensure that there is a clear communication on this topic.
• Workers who look particularly young are prioritised for interview.
• It is important for the auditor to err on the side of caution and assume that a young-looking worker is a child, until verifiable evidence to the contrary is provided. This may involve reviewing age documents of the child and verifying that they are genuine.

**Indian Industry Meets Social Obligations:**

15. The Indian export industry is mandatorily complying with these stringent checks to ensure that exports are not hampered and international buyers and subsequent consumers do not have cause to raise concern regarding the workers producing the goods.

16. Instances of child labor in handicrafts used in the domestic industry are also becoming rare with NGO's and enforcement agencies remaining vigilant and government continuously educating people on the need to eradicate this problem.

17. Even in stray cases, enforcement agencies take prompt action to ensure children rescued from bonded are not forced into the same milieu.

18. The United States Department of Labor relied upon media coverage of stray incidents in the domestic industry. EPCH ensures that none of its Members indulge in such unfair and unethical manufacturing practices that can have an adverse effect on the entire industry and therefore on the millions employed.
BACKGROUND TO CHILD LABOR IN INDIA OVER THE DECADES:

19. There are a number of factors that could make children vulnerable to trafficking for labour. Some of these are at the family level and some others at the community or society level. While at the family level, the major push factors are poverty, illiteracy, dysfunctional family life, under-employment and a lack of income-generating opportunities for families, those at the community or society level are a general apathy or tolerance towards exploitative forms of child labour, lack of community support and social vulnerabilities.

INDIAN RESPONSE TO THIS PROBLEM OVER YEARS:

20. Considering the complexity of the problem, the Indian government and Industry has worked out a comprehensive multi-pronged approach to this problem. This covers not only the educational rehabilitation of these children to prevent them from entering and re-entering such exploitative labour situations but also various socio-economic causal factors such as poverty, illiteracy, lack of awareness etc.

21. The measures adopted include economically empowering the families by covering them under various schemes of the Government, community mobilization and attitudinal changes through awareness generation, creation of suitable rehabilitation infrastructure, backed by unambiguous legislative provisions against offenders and stronger enforcement.

GOVERNMENT EFFORTS OVER AND ABOVE THOSE LISTED IN THE FIRST SUBMISSION:

22. The National Policy on Child Labour enunciated in 1987 laid down the following action plan for tackling the problem of child labour:

- A legislative action plan
• Focusing and convergence of general development programmes for benefiting children wherever possible, and
• Project-based plan of action for launching of projects for the welfare of working children in areas of high concentration of child labour

23. Based on the above, Government had initiated the National Child Labour Project (NCLP) Scheme in 1988 to rehabilitate working children in 13 child labour endemic districts of the country. Its coverage has been increased progressively since then to 250 districts in the country in the 10th Five Year Plan (2002-2007). The five year plans prepared by the Planning Commission of India sets the agenda on various issues related to development and growth for the country. The Government plans to cover all the districts of the country in which there is an incidence of child labour during the 11th Five Year Plan (2007-2012).

24. Giving due consideration to the specific needs of the migrant child labour, one of the proposals given for the 11th Plan includes a provision of residential schools in the metropolises and other big cities under the NCLP Scheme, children are withdrawn from work and put into special schools, where they are provided with bridging education, vocational training, mid-day meals, a stipend of Rs. 100 per month, health-care facilities etc. Under the Scheme, funds are given to the District Collectors for running special schools for child labour.

25. To ensure greater reach combined with full accountability, many of these schools are run by NGOs in the district. Linking the child labour elimination efforts with the Scheme of Sarva Shiksha Abhiyan (SSA) of the Ministry of Human Resource Development, Government of India, efforts are made to ensure that children in the age group of 5-8 years get directly admitted to regular schools and that the older working children are mainstreamed to the formal education system through special schools functioning under the NCLP Scheme.
26. By 2008 there were 8,887 NCLP schools being run in the country with an enrolment of 3.4 lakhs children and 4.5 lakhs working children already been mainstreamed to regular education under the NCLP Scheme. It is a challenge to retain the rescued child laborers in such schools. Due to reasons ranging from economic and financial adversity some children do not always complete their stints at the NCLP schools.

27. The Protocol on Prevention, Rescue, Repatriation and Rehabilitation of Trafficked & Migrant Child Labour (The Protocol) was issued by the Ministry of Labor and Employment in May 2008 to guide state and district-level authorities and NGOs, and expand the central government’s list of occupations that are banned from employing children. The Protocol provides steps to be taken by designated agencies to collect information on instances of child labor and prepare for rescue operations. It also states the basic orientation required for preparation for such operations and immediate steps required post-rescue. The Rescue Team consists of a) The Department of Labour; b) The Police; c) The Municipal Corporation or the local self government like the Zilla Parishad, panchayats etc, as the case maybe; d) Social Welfare Officer/Probation Officer/DM’s nominee/CWCs; and e) NGOs, social organizations, trade unions or other responsible citizens; f) Doctor with first aid kit, and g) Lady Police/volunteers when rescuing girls. The Protocol is sensitive to the conditions in which such child labor may be made to perform and assures that rescued children are not harmed during the operation.

28. After successful completion of the rescue operations the children undergo a medical examination and a fresh investigation commences to source their families and homes. These rescued children are produced before the Child Welfare Committee (CWC) and given temporary shelter before they are transported and restored to their families. Rehabilitation of such rescued children is the responsibility of the District Collector to ensure that they are not sent back to the exploitative employers. The
Protocol lists how various agencies like the police, the department of labor and employment, education department and municipal authorities are jointly and severely responsible for the rehabilitation and restoration of the rescued children.

ENFORCEMENT & FOLLOW UP:

29. Various NGO’s keep track of the rescued children in schools and maintain reports on their progress. If any child goes missing and his or her absence in school is taken cognizance of and these NGO’s track those to reinstate them ‘back2school’ in the rehabilitation schemes.

30. For example, in the State of Tamil Nadu, members of an NGO called the Village Volunteer Force go around villages and collect data about missing students from classrooms. The volunteers find out reasons from the school and families, and this information is keyed in at the taluk computer centres. Through the Tamil Nadu State Area Network the data is made available to the district administration. The Collector then takes action to solve the problem. The ‘back2school’ software links all departments concerned such as the tahsildar’s office, the district police and administration. Similar programmes are present in other states in the country. Such efforts are recognized by the UNICEF Child Protection Programs in India.

INTERNATIONAL AGENCIES RECOGNIZE INDIA’S PROGRESS:

31. The 2009 UNHCR Report (prepared by the US Department of State) also recognizes these efforts by noting, “Indian government authorities made significant progress in law enforcement efforts against sex trafficking and forced child labor during the year... India also prohibits bonded and forced labor through the Bonded Labor

32. Further, in its State of the World’s Children Report 2009, UNICEF points out that the number of children enrolled in primary school, regardless of age, expressed as a percentage of the total number of children of official primary school age for males is 90% and for females is 87%.²

CONCLUSION:

33. The strong system of checking incidents of child labour is successful and ensures that this social evil is laid to rest in the coming age. India is committed to match world standards in health and education. International traders, like the garment exporters, are also devoted to supply legitimate products to the world buyers.

34. We would, therefore, request the US Department of Labor to remove Zari from the EO list so that Indian exporters who follow all international obligations and submit to norms set by international buyers through an audit system are not hurt.

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