



Apparel House, Institutional Area Sector-44, Gurgaon-122003 Haryana, India

May 20, 2011

Office of Child Labor, Forced Labor and Human Trafficking
Bureau of International Labor Affairs
U.S. Department of Labor
200 Constitution Avenue, NW – Room S-5317
Washington, D.C. 20210

Re: DOL-2011-0002; Request for Information and Invitation to Comment; 76 Fed.
Reg. 22921 (April 25, 2011)

Dear Madam Deputy Undersecretary Polaski:

The Apparel Export Promotion Council (Council or AEPC) of India, which was incorporated in 1978 and is the official body of apparel exporters in India, appreciates the opportunity to comment upon the reports issued by the U.S. Department of Labor's (DOL) Bureau of International Labor Affairs (ILAB) regarding child labor and forced labor in foreign countries. AEPC hereby provides further relevant information, in addition to that previously shared with ILAB, for use by the DOL in preparation of its ongoing reporting under Congressional mandates and Presidential directive.

With these comments, the Council respectfully urges the DOL to update each of its reports and lists, including the Trade and Development Act of 2000 Report (2009 Findings on the Worst Forms of Child Labor), the Trafficking Victims Protection Reauthorization Act list and the Executive Order 13126 list, to clearly distinguish between the zari and garment industries and the production serving the domestic Indian market and that serving the export market and to reflect the intensified and significant initiatives of the Council and the Government of India to reduce the likelihood of child labour or forced labour in the Indian zari and garment industries, regardless of whether they are serving the domestic or export sectors, as fully reviewed below.

I. Background

Since publication of the TVPRA and Executive Order lists in September 2009, the AEPC has greatly intensified its activities vis-à-vis the issue of child labor and forced or indentured labor. In particular, the Council first sought to fully understand and identify the basis for the allegations by the DOL. It did so by seeking out a qualified advisor in the United States, interviewing four potential providers, and ultimately appointing the international law firm Sidley Austin LLP to analyze the bibliographies provided by the DOL and to identify and assess actual conditions and practices in Indian garment production and zari workshop facilities, including sub-contracting operations and homes, in the formal and informal sectors. The detailed results

of that survey were presented to ILAB and other U.S. Government agencies on December 14, 2010. Further, in written comments filed with ILAB, dated February 15, 2011, in response to the December 16, 2010 Notice of Initial Determination Pursuant to Executive Order 13126 (75 Fed. Reg. 78755), the Council reviewed the breadth of its activities to address child labor and forced child labor. These include: 1) the development of an advisory that has been and continues to be widely distributed; 2) the creation, dissemination and implementation of a Common Code of Compliance that addresses the full range of ethical manufacturing responsibilities, including the prohibitions against child labour and forced labour; and 3) the seminars, workshops and roundtables conducted by AEPC with a full range of stakeholders. Those comments also identified additional initiatives by the Government of India. AEPC respectfully urges ILAB to review and incorporate the information from those earlier comments in its current reconsideration of its reports and lists.

With these comments, the Council further updates ILAB regarding its initiatives, providing further justification for the DOL to reconsider, clarify and revise its reports and lists.

II. Important government programmes for improving social compliance

A nationwide Integrated Skill Development Programme for the Textile and Apparel was launched in 2010 by Ministry of Textiles, GoI with a total outlay of Rs 1.7 bn. It has an ambitious target of training 256 thousand workers in the next two years.

In conjunction with the Council's initiative for the Common Compliance Code in the apparel industry, the Government of India's Ministry of Textiles has approved the Council's project and sanctioned a grant of Rs. 20 Million (for two years). Through this project, the Council will prepare a guidelines and tool kit for manufacturers in India under which factories will be provided with training on labour practices, capacity building and resource building. With this budget the Council is targeting enlisting 400 factories in the 2011-12 year and another 375 units in the second year, 2012-13. While the direct focus is factories, the training will address the supply chain to ensure that subcontractors and suppliers are also educated about the need to ensure compliance to our national and state level labour laws that forbid use of child labor and forced labor.

To improve the technology component and ensure state of the art production processes, the Ministry of Textiles is supporting the Knitwear Technology Mission with a total; project cost of Rs 100 million. The Knitwear Support centre is being set up in Tirupur to start with since it is the biggest knitwear cluster in India. It will be replicated in other major knitwear clusters. This project would provide various support services to the industry including knowledge service, testing & certification, research, training & education, design services and investor facilitation services like technology selection etc for improving high end production of knitwear in India. This project should improve the socio economic condition of the industry in Tirupur and have positive impact on the management processes and labour situation.

III. Inauguration of the AEPC Task Force on Labour in the Apparel Sector

On 12 April 2011, the AEPC Task Force on Labour in the Apparel Sector held its first meeting, in Gurgaon. Among those participating were brands and buyers from the U.S. and EU markets, Indian garment manufacturers, the International Labor Organization, and AEPC. The Task Force determined its objectives to be:

- a. To provide a platform to stakeholders on issues of supply chain, transparency, labour on contract, job hours, and wage rates.
- b. To identify the concerns of labour supply chain in order to manage the risk associated with labour and suggest the concrete strategies.
- c. To understand the role of buyers in orders to overlap the complexities for sustainable compliance.
- d. To prepare a model for task force on labour.

The Task Force further agreed to expand its composition to include representatives of non-government organizations (NGOs), unions, and experts/professionals in the area, so that the Task Force will have a total of 15 members. The participation of more members from NGOs and trade unions is expected to assist in achieving the goal of taking stock of the ground level status of contract labour and other labour practices. Importantly, the Task Force assigned itself an ambitious agenda for its next meeting, which is scheduled to be held in July 2011. Among other items, that agenda includes the drafting of the changes that need to be made to those domestic laws for labour that hamper compliance. The Task Force also contemplates the appointment of an expert agency to facilitate the preparation of a paper identifying and addressing the discrepancies between international and national laws and norms, with an ultimate goal of presenting a legislative recommendation paper to the relevant Indian Ministries.

IV. Collaboration with Steer Group on Child Labour

The Council has enrolled itself to the “Multi-Stakeholder Garment Steer Group on Child Labour”. This steer group was formed earlier in 2010 bringing together the different stakeholders – retailers/brands, manufacturers, manufacturers’ association, sub-contractors, trade unions, NGOs and UN agencies on a common platform to deliberate on the issue of child labour in the garment handwork supply chain. The multi-stakeholder garment steer group is being advised by International Labour Organization and is facilitated by Global March Against Child Labour, closely linked to the Bachpan Bachao Andolan.

The stakeholders represent the demographics, cut across the European and American retailers, as well the domestic brands bringing forward an amalgamation of perspectives to the complex issue of child labour. It formalized on tangible actions in a time bound manner to address child labour in garment supply chains and harnesses the strengths of the different stakeholders on the ground to create sustainable changes in favor of child rights by upholding corporate social responsibility and ethical trade practices in garment supply chains. The Steer Group on Child Labour will work towards effective monitoring mechanisms, responsible and transparent supply chain, promotion of decent work and community development would excoriate child labor from the garment manufacturers’ supply chains.

The Council is hopeful that this collaboration will lead to greater understanding and trust between the industry and the NGOs and further progress toward the complete elimination of child labor in the facilities serving the domestic market, which DOL has identified as its concern. BBA’s focus on the informal sector and production serving the domestic market, including zari production, is a significant complement to the more formal and export-oriented focus of the Council.

V. Participation in Global March Consultations in New Delhi

The Council participated in an international multi-stakeholder consultation held in New Delhi on 11 May 2011. The event was organised by Global March Against Child Labour, an

international multi-stakeholder consultation and intended to ensure greater coherence and solidarity in combating child labour and ensuring decent working conditions in the garment making sector. This was an important event where compliance heads of international brands, audit firms, NGOs, labour unions and child welfare groups and rehabilitation centres discussed the on ground situation.

Delegates shared that the tier 1 units were clean. There were issues in the home work level but it was not a sectoral issue as there was dilution of sectoral demarcations at tier 3. Ministry of labour highlighted the various provisions made for elimination of child labour like the right to education, NCLPs, etc as also various activities at the association levels.

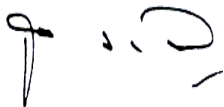
V. Update on AEPC/CMAI Advisories and Campaign

As the Council advised previously, it issued an advisory to its members strictly warning against the use of child labor/bonded labour in the apparel export industry. Further, in association with the Clothing Manufacturers Association of India (CMAI), which represents and serves both the domestic and export sectors with over 3000 members across India, the Council issued another campaign to educate and sensitize manufacturers to the responsibility of eradicating child labour and encourage children to pursue education.

VI. Conclusions

The AEPC appreciates this opportunity to update and expand upon the information previously provided to DOL, to demonstrate that the garment industry of India is deeply engaged in ensuring compliance with the law and that its efforts encompass the informal sector, including zari production, and facilities serving solely the domestic market. The AEPC therefore respectfully urges ILAB to make clear in its reports and lists that the garment export sector is not marked by child labor or forced labor and that it is striving to assist the zari and informal sector and those serving the domestic market achieve the policies and compliance for which the export sector is rightly recognized.

Respectfully submitted,



(Premal Udani)
Chairman, AEPC