



# STITCHING OUR SHOES

Homeworkers in South India



Stitching Our Shoes is a joint report by Homeworkers Worldwide, Labour Behind the Label and Cividep. March 2016.



Homeworkers Worldwide (HWW) is a UK based NGO which works to support homeworkers around the world in their struggle for rights and recognition. HWW support grassroots organising with homeworkers, campaigns for companies to improve conditions for homeworkers in their supply chains and lobbies for strengthened regulation to better protect homeworkers.

[www.homeworkersww.org.uk](http://www.homeworkersww.org.uk)



Labour Behind the Label (LBL) is a UK based NGO campaigning to support garment workers worldwide in demanding and defending their human rights. LBL is a member of the UK platform of the Clean Clothes Campaign.

[labourbehindthelabel.org](http://labourbehindthelabel.org)



Cividep is an NGO based in Bangalore, India, which empowers workers and communities to ensure businesses comply with human rights, labour rights, and environmental standards. Cividep educates workers, studies effects of corporate conduct, dialogues with stakeholders and advocates for policy change.

[cividep.org](http://cividep.org)



CHANGE YOUR SHOES is a partnership of 15 European and 3 Asian organisations. We believe; that workers in the shoe supply chain have a right to a living wage and to safe working conditions, and that consumers have a right to safe products and transparency in the production of their shoes. This report is being produced as part of the campaign.

Photos by Heather Stilwell pages 2, 6, 9, 12, 21

Heather Stilwell is a journalist who documents human rights struggles in countries across Asia through photography and reporting which connects directly with people affected and those seeking change.

[heatherstilwell.com](http://heatherstilwell.com)

Photos by Homeworkers Worldwide pages 13, 25

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Shoe shopping has long been considered a favourite pastime of the British consumer and it shows no sign of losing popularity, with sales of boots, sandals and shoes growing year on year. In fact the UK is one of the largest footwear markets in the world: it is estimated that, on average, each person in the UK buys five pairs of shoes every year.

Specialist shoe retailers, who once sold the majority of our shoes, now face intense competition, not only from high street brands – many of whom now sell their own lines of footwear as well as clothing – but also from supermarkets such as Asda George or Sainsbury's. All high street shops are now facing a new challenge from the rapid growth of online shoe retailers. Online sales of shoes are increasing by over 1% every year and now account for 15% of all shoes sold<sup>1</sup>.

The supply chains through which shoes are manufactured have also changed dramatically. Since the 1970s production has largely moved out of the UK and been subcontracted to factories, agents and homeworkers around the globe, particularly to Asia. Although a number of smaller, more expensive, brands continue to produce shoes in the UK, largely in Northamptonshire, they tend to supplement their highest priced English-made shoes with less expensive imports from India. In some cases whole shoes are imported, in others the leather uppers, stitched by workers in India or elsewhere, are imported and attached to the sole in the UK.

There is intense competition in different segments of the market, in price as well as style, and demands for flexibility lead to changing patterns of production which have an impact on the workers who make our shoes. The demands of the market have led to an increasingly complex web of sourcing – from Asia when price is uppermost, to Europe when speed is most important; from large factories for bulk orders, to smaller scale units and subcontractors for a flexible just-in-time response.

While there has been a lot of publicity around the conditions in which clothes are made by garment workers around the world, there has been little attention paid to the supply chain for leather shoes. Yet, as we will see, leather footwear production often involves many of the same unacceptable practices, damaging to both workers' welfare and the environment.

Homeworkers, women employed mainly to stitch together the leather pieces constituting the upper of a shoe, provide both the low-cost labour and the flexibility that is so sought after in the footwear sector. These workers are invisible but play a vital role in the production of certain types of leather shoes, wherever they are manufactured. From Portugal to Bulgaria, from Eastern Europe to North Africa to India – homeworkers are to be found in the shoe supply chain and experience similar working conditions whatever the location. This report will focus on the production of a particular type of leather footwear - the casual leather shoe – and the experiences of thousands of women who produce them, mostly working at home in and around the Indian city of Ambur. Exports of leather footwear from India into the UK are growing and make up an important part of the middle-price segment of the market. In Ambur, women homeworkers are paid less than 10 pence a pair, for stitching the uppers of shoes sold in the UK for prices between £40 and £100 and more<sup>2</sup>.

1. MINTEL, Footwear Retailing Executive Summary, July 2014

2. In February 2016, there were 98 Indian rupees to 1 British pound



*Street scene in Ambur, Tamil Nadu*

### The Leather and Footwear Industry in India

India is the eighth largest exporter of footwear in the world and the government and industry have ambitious plans for growth. Between 2012 and 2014 footwear exports grew by over 50%, with 200 million shoes exported worldwide in 2014<sup>3</sup>. The UK is India's biggest market for footwear, with Europe as a whole taking 65% of all exports.

Most of the companies producing footwear for export are Indian-owned, although there is now some foreign direct investment and joint ventures have been established following the lifting of restrictions by government. Although traditionally a sector characterised by small enterprises, recent developments have also seen the growth of modern, large-scale factories, particularly in Tamil Nadu, in the South. Many of the largest leather companies are "vertically integrated" meaning that they both process the leather and carry out the manufacturing and assembly of leather products, although they still depend on chains of subcontracting for some processes. Most of the leather used in Indian manufacturing comes from India itself, although a small proportion is imported. One major company in Ambur has now invested in an Ethiopian tannery as a further source of raw materials.

Leather and the production of leather products (shoes, bags, saddlery, footballs) are found in both the North and South of India. The structure of the industry and the composition of the workforce in the different locations vary in a number of ways: size of factories or tanneries; proportion of formal employees and informal or casual workers; and in the number of women employed.

In the North, Kanpur is the site for many tanneries while Agra is a centre of footwear production, for both domestic and international markets. Other locations include Jalandhar where footballs are produced for many of the big brands. Tamil Nadu, India's southern-most state, is a major centre for export of leather footwear and all the various stages in the supply chain can be found here, from tanneries to factories to workshops and homeworking.

Ambur, where the homeworkers covered in this report live and work, is part of a cluster of towns, including Ranipet and Vellore, where tanneries and footwear factories are located. It lies about three hours travel from Chennai, the capital of Tamil Nadu, itself a centre for the leather industry.

3. World Footwear 2015 Yearbook, by Portuguese Shoes



## What is Homeworking?

Homeworking is work done mainly by women in their homes for a cash income. Whilst some homeworkers produce goods for sale at local markets, others are working as part of global supply chains, making the kinds of products we buy on the high-street.

Homeworking ranges from traditional crafts such as weaving, to industrial work such as assembling circuit boards. It is labour intensive, and usually done by hand, though some women use equipment such as sewing machines, soldering irons or presses.

Homeworking is common in countries across the world, but it is largely invisible and the vital contribution it makes to economies is not recognised.

Homeworkers themselves are rarely recognised as workers - by those they work for, by their communities, by their families.

Almost everywhere you go in the world, women are expected to shoulder the greatest responsibility for taking care of the family and the home. This limits their opportunities to earn a decent wage. Homeworking is undertaken by women who are tied to the home by domestic responsibilities, but who also need to earn a living for themselves and their families. Homework provides essential income as they have few other options.

*Common characteristics of homework:*

- **Work and therefore income is irregular and insecure**
- **Pay is low, and generally by piece-rate**
- **There is no social protection (welfare benefits, pension etc)**
- **No health and safety protection**
- **The vast majority of homeworkers are women**
- **Homeworkers are rarely organised**

## Homeworker in the Leather Shoe Industry

This report focuses on the thousands of women, working as homeworkers assembling leather shoes for export, in Ambur. These women are a largely invisible workforce, not recognised or acknowledged as workers by their employers, their government and even their families. They are excluded from legal protection, ignored by official statistics and often overlooked by trade unions, researchers and campaigners working on the sector. As a result, homeworkers have the lowest pay, (in a sector that is already low-paid); their employment is precarious, and they are denied employment benefits such as health insurance, pension contributions or health and safety protection.

Yet these workers are not temporary workers, nor do they play a marginal role. In fact many are working all year round and have been working in the shoe industry for many years. The work they do is not artisanal or traditional, but integral to the modern production process of a wide range of styles and types of leather shoes sold by major western retailers and brands.

Homeworking is not specific to the Indian leather industry. Since the 1990s, Homeworkers Worldwide (HWW) has documented evidence of homework in leather shoe production in Western Europe (Italy, Greece, Spain and Portugal), Eastern Europe (Bulgaria, Romania and Serbia), Latin America (Chile and Bolivia) and Asia (Indonesia, Thailand and India)<sup>4</sup>.

In each of these cases the homeworkers have described conditions and attitudes similar to those identified in Ambur. Homeworkers are an integral part of the workforce, and are almost always women employed informally in the home, whether in Europe, Asia or Latin America.

4. See reports: European Homeworking Group, Hidden Hands in European Report, Summer 1997, and Every Pair Tells a Story, Report on a Survey of Homeworking and Subcontracting Chains in Six Countries of the European Union, March 1996.





Homeworkers are most often used to stitch the uppers of shoes, as this is one of the most labour-intensive parts of the production process. Hand-stitching of uppers in Portugal or Bulgaria, for example is paid at approximately 40 pence a pair, while in Ambur the same work is paid at less than 10 pence a pair. This explains why as well as exporting finished shoes, Tamil Nadu is also a source of uppers, which are assembled in India and then joined to the soles in European countries such as the UK, Portugal or Slovakia to make up the finished shoes.

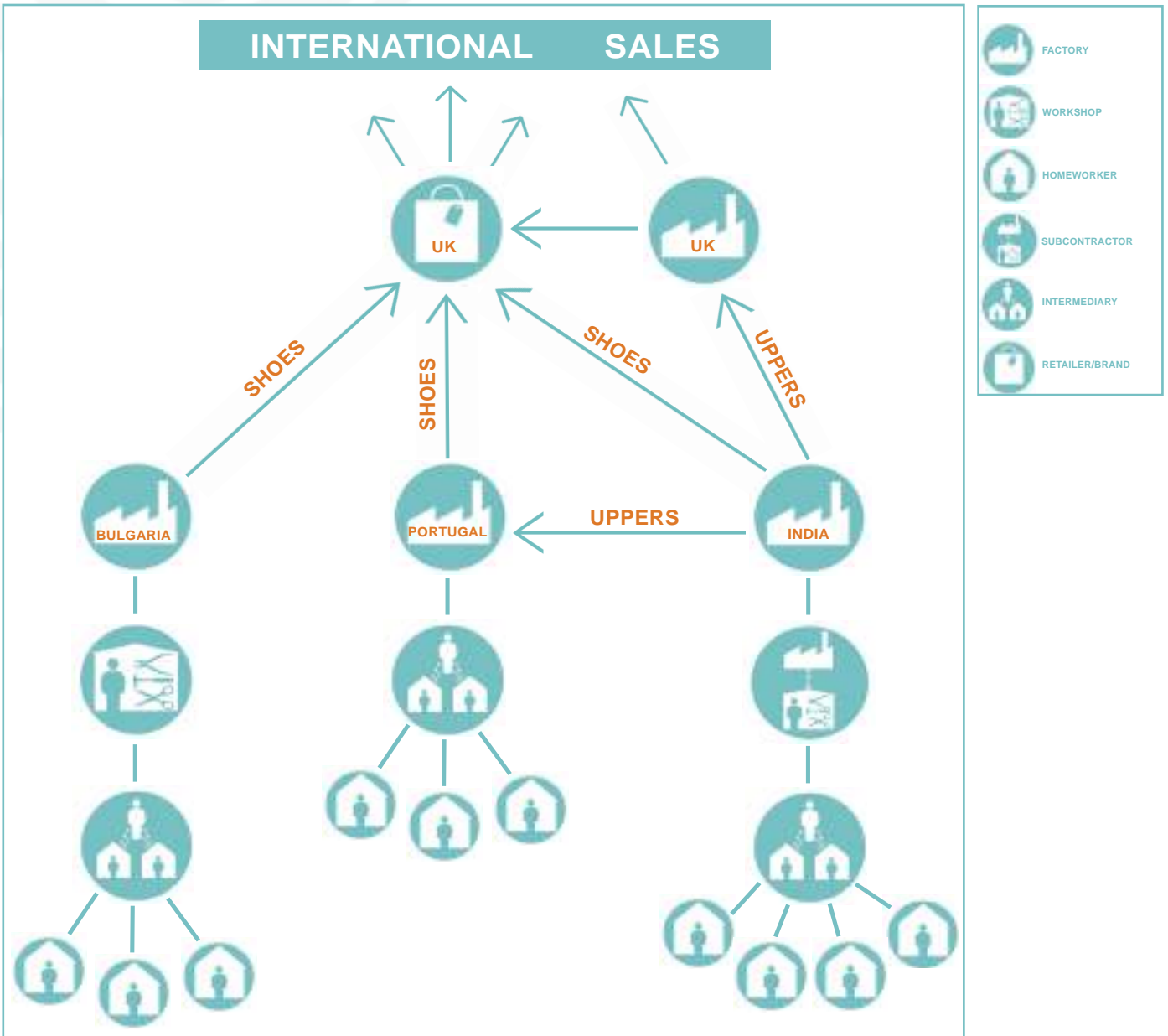


fig.1 Global Supply Chains in leather footwear



*“We are working because of our poverty.”*

Ambur is a dry, dusty town on the national highway between Bengaluru (Bangalore) and Chennai, in the north of Tamil Nadu state, in Vellore District. The town itself and surrounding villages are dominated by the leather industry, with more than one hundred tanneries and factories and numerous smaller units. Ambur is famous for footwear production, and is part of a broader cluster including Vaniyambadi, to the South West, and Arcot, Ranipet and Vellore to the East. This region, together with Chennai itself, is a major centre for export of leather and leather products from India.



fig.2 Map of Tamil Nadu

The population of Ambur town and villages is over 114,000 people. Just over 50% of the population are Muslim, a higher proportion than elsewhere in Tamil Nadu. Employment in the area is dominated by the leather sector, with agriculture on the decline. The level of literacy is well above the national average. Most villages, including Lakshmanapuram, Melpatti, Thuthipattu, Nareyampattu, Kilpatti and Valathur, have between 25 and 50 homeworkers in residence with others like MV Kuppam having around 75 women engaged in homeworking. The majority of the women employed in the area are Hindus from the Koundar caste, while others belong to the Muthaliyar and Naidu castes, along with a number from Muslim, Dalit (a self-chosen political identity for members of castes and tribes historically excluded from the four-fold varna or caste system as ‘untouchables’) and Dalit Christian communities. The Dalit communities are now classified as Scheduled Castes (SCs) and Scheduled Tribes (STs) for the purpose of affirmative action. Many former members of these communities have converted to Christianity in Ambur, but the caste association has remained. The village of Nareyampattu is the only one with a Muslim majority.

Workers and their families have cordial relations with neighbours from other castes and communities, and there are no reports of discrimination or hostility between different groups. In Nareyampattu, there is very little interaction between Muslim homeworkers and those from other communities.

Gender relations within families are characterised by a power imbalance. Many homeworkers reported that men have all the decision-making power in their homes, as well as complete control over the family finances. This is not the case in Melpatti, where women are in charge of household spending. However, all other decision-making power lies with the men. Similarly, in Nareyampattu, Muslim women have control over household matters, but play no part in other kinds of decision-making.



## Overview of Homeworking



Both women and men work in the leather sector, with a majority of men in the tanneries and of women in the factories assembling shoes. Outside the factories, many thousands of women work at home mainly stitching shoes for export to Europe, North America and some other countries. These homeworkers, however, are invisible as they are not acknowledged as part of the workforce and have no official status as workers.

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The model of shoes most often stitched by women is men's loafers or casual shoes, although sometimes they also stitch women's or children's shoes; assemble decorative components or even stitch the uppers to the soles. For this, they are paid a piece-rate, according to how many pairs they complete and varying according to the model of shoe.

This is not an artisanal model of production. The women are not working in small workshops in families traditionally involved in shoe-making. There are few men engaged in this work and the women work by themselves, in their own homes, or sitting outside in a courtyard, with a few other women from their family or neighbours. The model of shoe, the number of stitches and method of work are entirely determined by the factory.

Yet these women are employed carrying out a vital labour-intensive part of the process of assembling shoes of a particular type, that of sewing the uppers of the shoe. Other parts of the process, for example, the cutting of the leather, making of the patterns or final assembly of the shoes are carried out in factories and workshops. But as elsewhere in the world, the assembly of the uppers is done by women at home. In the case of Ambur, this is all hand-stitching although in other countries machine-stitching of the uppers is also done by women at home.



*Hand-stitching at home in Ambur*

## Working Conditions

Invisible and Insecure:

*“We get paid 5 rupees a pair for this. Now if the upper is hard, then we get paid 6 rupees. There are some which are even harder and for them we get paid 9 rupees. But then we can complete two of these for the time that we take to complete one of those. The wage depends on the type of upper.” Sumitra<sup>5</sup>.*

The use of homeworkers in Ambur's leather industry is not new. Many women have been doing this work at home for ten years or more, and others have spent a lifetime working in leather footwear, either in factories or at home. For many, homeworking is the only employment option available to them and provides an important source of income.

Yet despite their many years of service, homeworkers have no security as workers and no guarantee of work, making it difficult for them or their families to rely on the vital income it provides. This insecurity does not result from the lack of work; it is not seasonal in nature, nor is it simply due to an overflow from factories. It is a result of complex and informal employment relationships that keep workers insecure, whilst at the same time ensuring a constant and reliable source of production for the industry.

For many women, the options for earning an income are limited and homework may be the only possibility they have to generate income. While there is no guarantee of work, most homeworkers have work most of the year.

Homeworkers are not directly employed by the factories but get their supply of work from an intermediary, often someone in the same village or area as themselves, who in turn gets the work from a subcontractor of the main factory, sometimes with several layers of subcontracting between the main factory and the homeworkers. This allows the factories, the principal employers, to take no responsibility for homeworkers, even though they are fulfilling an important part of the production process. The homeworkers do not always know where the work is coming from and are dependent for their supply of work on their local intermediary, with little or no bargaining power as they are scattered throughout the area:

*“The other day, he (the intermediary) told me: “When you buy meat, you are not given only meat, you are also given bones, aren't you? So do you throw away the bones? Do you not cook the bones as well?” He means to say we have to stitch both the hard and the easy ones. He told me this because I asked him for an extra 50 paise since the upper was so hard. But he talks very nicely.” Sumitra*

*“We cannot negotiate with the middleman because the middleman knows many people who really need and want a job. So if I negotiate for one rupee or two rupees, they will change the area.... They will give (the work) to some other area and they will do the work.” Runa*

5. Interviews with homeworkers carried out in 2013 and 2014. To preserve anonymity for these workers, names have been changed.



## Below the Minimum: Poverty Wages



Women most often report that they are paid 5, 6 or 7 rupees per pair of shoes. Since pay varies, according to the model of the shoe and in theory according to the difficulty in the work, occasionally they are paid a higher rate of 8 or 9 rupees per pair. Similarly, the time taken to complete a pair varies according to the difficulty involved, often depending on the hardness of the leather, and the experience of the worker concerned. Some women report completing a pair in 20 minutes, whilst others report one hour for one pair, on average it takes half an hour per pair of shoes. Assuming it takes half an hour to complete one pair, eight hours work would then be paid 96 rupees at 6 rupees a pair, well below the minimum wage.

*“We have nothing. That’s why we know this is employer exploitation. We have no other way. That’s why we are involved in this (work). If I have any other income, definitely I wouldn’t do this.”* Shanti

*“Now look at her. She is working because of her poverty. She got all her daughters married. Her husband cannot work so she works to buy food. Once you grow old, you cannot stitch. What else can she do? If she sits idle, who will give her food?”* Pushka

Women know that they are badly paid but most feel powerless to change anything. They also complain of the irregularity of the work and their income. Many women talk about the need to borrow money and the difficulty in paying back debts, sometimes taken out in the form of an advance from their intermediary:

*“Today we may earn 50 rupees but there is no guarantee that we will have an income tomorrow. Those who work in the company have some guarantee for work but we don’t. If we fall sick and cannot work, then the day’s income is lost.”* Sumitra

*“We are unable to save money because the living costs are high.”* Runa

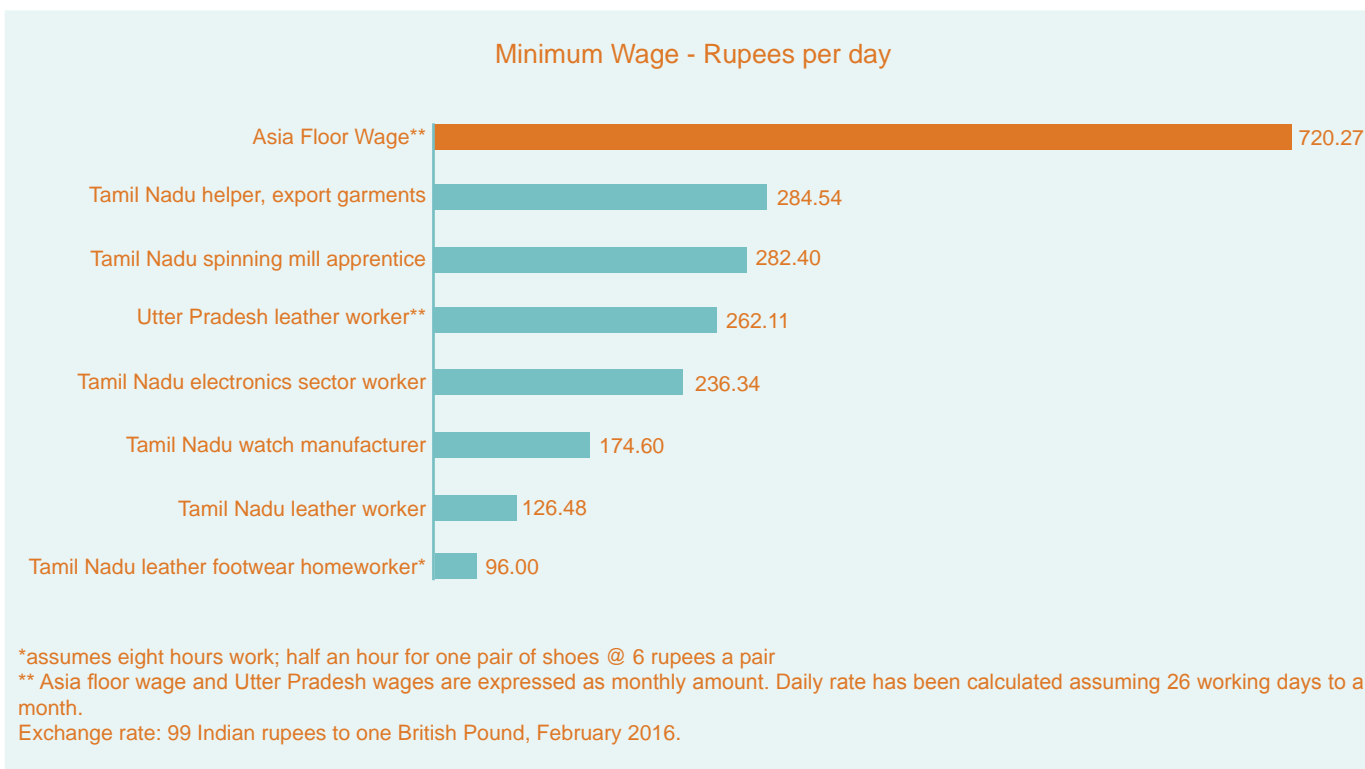


fig.3 Wage Ladder



## Homework or No Work?

One thing is clear – the answer for these women is not to simply try to stop homeworking – in fact this is the worst possible outcome for the homeworkers of Ambur. For many, alternative options for earning a much needed income are limited: homework may be the only possibility they have to generate income.

Most of the homeworkers are married women with children at home or in education. They all speak of the difficulty of meeting basic living costs and the need to earn an income. Yet they feel unable to work outside of the home because of their family responsibilities and have little choice but to take on what they see as badly paid homework. In some cases, homework provides the only source of income for the family when women are widowed or have a sick husband:

*“If we concentrate on the earnings and go out to work, then how can we take care of our adolescent girls? We cannot bring them up in the proper way, can we? We will have to return home at 6 pm and they will say ‘OK, you are going your way, we will go our way.’ So we just opted to work from home. Will our men folk allow us to go out to work?” Sumitra*

*“Whether we like it or not, we have to stitch.. It is our means of livelihood.” Pushka*

*“...We can keep everything in the house and do the work. We can cook. We can send the children (to school). So inside the house, it is easy, that’s why we do it.” Kaladevi*

*“...We are working because we don’t want to go to the company because the company has their own timing.. They are coming and giving (us work at) our house, we can look after our household things and look after the children and do this work... My husband is happy if I look after the house and look after the children. If I go to the company, if my children get sick, I cannot take leave because the company never allows us to take leave.” Runa*



Shoes stitched by homeworkers, Ambur



## Work that Never Ends

The women combine their paid work with numerous unpaid household tasks. They all work long hours when both 'jobs' are taken into account. But with low piece rates, there is constant pressure to work long hours to cover basic family expenses. At other times, there is an urgent deadline that the intermediary needs to meet:

*"Sometimes (I wake up) at 6 am and sometimes at 7 am. Sometimes they give us the pieces the previous night and say it is urgent. They wake up at 4 am but I wake up only at 6 am. I can't wake up early so at times I work late at night. But when I do so, I can't work the next day, my fingers are swollen. After I complete a pair, it takes about an hour for my hands to return to their normal condition. So I don't take on any urgent work. I finish work by 11 pm." Sumitra*

*"The company is saying that it is very urgent. So (we will also work) in the night. After finishing the work, we will sacrifice our sleep time and are doing this work." Kaladevi*

## Unhealthy and Toxic

The process of stitching the uppers involves pushing a needle through pre-punched holes in the two parts of the upper and pulling the thick thread through, then pulling the stitch to the right tension. Women usually sit on the floor so they are crouched over the work for long hours, and the pulling of the needle through the leather itself involves many repetitive movements, sometimes using considerable force. The impact on the women's health is great:

*"No way stitching this upper is a good work at all. We will develop pain in the chest. Our hands will get infected because of the germs in the leather. I also developed fibrosis because of this work. Say, for example, if you give me something to eat while I am working, and then I take it and put it into my mouth, won't I get infected? This is leather, isn't it? And it has a lot of chemicals." Sumitra*

*"And numbness in hands - she can't even do the household washing everyday washing and can't carry things quickly. So due to all the hand work, she is suffering." Runa*

In addition, the women complain of the pollution in the environment. One aspect is the pollution of the water that means that they have to buy special drinking water at additional cost to the family budget. There is also pollution in the air:

*"These are chemicals. Both men and women suffer from these illnesses. At night they burn the waste and it lets out a very bad stench that should not be inhaled... Now people protested against burning the waste and polluting the air and many people were jailed for that. Yet they have not stopped polluting." Sumitra*

Another problem with the pollution of water and land is that agriculture is no longer possible as an alternative occupation in what was previously a rich, agricultural region. For most people, the only alternative for employment is the leather sector.

## Children's Education

The women in general put a high value on their children's education and are keen that their children do not continue in their own footsteps. They see education as a way to a better way of life for their sons and daughters. Most children attend school although some women express the wish to send their children to







private rather than government schools where they feel they can get a better education. Some are paying for at least some of their children to get a college education. At the same time, some feel that their work prevents them taking sufficient care of their children:

*“Now when they return in the evening, they (the children) expect to have something to eat. But we will be sitting with these uppers so we will ask them to eat the leftovers from the morning and the children get very upset.”* Sumitra

*“...The children are the best thing in my life... I went through so much pain and suffering so I learned that my children should not suffer (so) much. That’s why I borrow money and my child has completed college.. (My daughter) she’s working in the company.”* Durga

### **Demanding Recognition**

Some women live in villages at some distance from Ambur and have little knowledge of the leather sector beyond their immediate environment. However, others worked in the footwear factories before they married and had children, or other members of their family had either worked in the factories in the past or are currently working there. Many are aware of the benefits of being recognised as a worker even if they do not see any immediate way of winning this status for themselves:

*“We completed the work we got yesterday. We may or may not have work tomorrow. There is no job security. Those who work in companies have ESI but we don’t have this facility. If they are sick, they can go to the hospital, take rest or get admitted.”* Sumitra

*“The company has a small clinic inside. If there’s an emergency they can go to the company, workers can go to the clinic. Every company has health policies...like they take some amount for their health and they will give a card... So they will go to the hospital, that is everything is covered and they will give free treatment... but it is only for factory workers.”* Runa

*“In the company... there are more benefits because I am paid 5,000 a month and they’ll give me breaks, tea breaks, lunch breaks, and also they’ll give me 12 pairs but they won’t demand I have to finish 12 in a day. But here if I take a rest, I can’t complete all the pairs, and there is a lot of work.”* Gowri

However, it is difficult for the homeworkers to understand the true value of their work to the company, and hence the wage due to them, because of the layers of intermediaries involved:

*“The companies don’t give us (work) directly. Every company sends the person who is responsible. Now for example the UK company have their own buyers but these buyers don’t come directly to us. They come through the companies. Now we should know how much they pay these companies and only then will it benefit us.”* Pushka

Intermediaries claim to be taking one or two rupees only per pair of shoes given to the homeworkers. However, other information indicates that a far higher proportion of the payment made by the factory is taken in commissions by intermediaries. This process will continue as long as there are no formal terms and conditions, including regulated payments.

*“Now the company persons, they keep getting richer. They buy houses, they secure themselves and save up for their children, the owners and the managers, they secure the future of the wives and children. They say “This is all we can pay you.” What else can we say?” Pushka*

## **Aspirations**

Homeworkers appreciate that they have a way of earning an income whilst at the same time taking care of their family responsibilities. They know that the pay is low but the precarious nature of the work means that bringing about change will not be easy. Yet they have aspirations ranging from old age pensions and freedom from debt to wider equality and recognition:

*“We don’t want anything big. We just want to get a pension of 1,000 rupees a month. That is all I need now that I am old.” Pushka*

*“I think generally if my children’s future will be great when I sleep it would be fine. And my debts, if they can be managed, I’ll be so happy.” Runa*

*“Without debts... If anything should sort out that one, I will be very happy.” Durga*

*“If you approached the managing director and explain this is what is happening... Sometimes they do not know about what’s happening to the homeworkers. So we have to address this issue to the manager and should tell about this much amount only we’re getting. And we don’t know how much you are paying but this much money we are getting. We should take these issues to the notice of the top people in the company.*

*“If I become Chief Minister of my state, I will bring this into action... First equal payment for homeworkers and the factory workers because both of them are human beings, both of them are spending their energy... So both should get equal payment for a pair ... And, if they resign the company should make some settlement of money ... and give bonus and advance. Because sometimes some of the companies, they give two months salary as bonus... Even if they give us a minimum of 5,000 they will give bonus and medical benefits.. All the workers both homeworkers and factory workers should have their benefits...” Gowri*



*Homeworkers village, near Ambur*



## Organising: Progress and Priorities



Recently, Cividep India, a Bangalore-based NGO has begun working with workers in the leather sector, including homeworkers, and have begun to document homeworkers' priorities for change.

The main demands by homeworkers are better wages and access to proper healthcare. The meagre piece rates are barely enough to make ends meet and disproportionate amounts of their incomes are spent on healthcare for the family. Access to government-sponsored healthcare or health insurance from the companies that commission work would go a long way to addressing some of these concerns.

Intermediaries or 'middlemen' consistently refuse to hike the extremely low piece rates that they pay homeworkers, claiming that this would lead to a loss of profit for them. There is no clarity on the relationship between the price paid to these agents by the factories and the wage paid to the homeworkers. As such it is difficult to know how much the intermediaries are taking themselves from the amounts paid to them by footwear companies.

Indebtedness is a common challenge, since workers are forced to take small loans to cover their expenses. Middlemen are usually reluctant to loan money, but will make advance payments for work thereby compelling women to complete large orders. In some cases, there is no work for some months of the year, particularly in August or September. This poses a threat to financial stability.

Another concern articulated by workers relates to the production process itself. Workers are provided with the thread to stitch shoe uppers, but have to buy their own needles. It is difficult to pierce the tough leather repeatedly, and this causes a lot of physical strain and sometimes injuries. Occupational health problems include pain in the back, neck and shoulders, postural problems from poor ergonomic practices, problems with eyesight and chronic headaches, puncture wounds and adverse long-term effects on the hands and fingers.



*Stitching leather causes injuries to hands*

## ***Labour Law in India***

India has comprehensive labour laws, some of which are national while other provisions are decided at state level. The most important workers' rights mentioned in this report are:

**Minimum wages:** Minimum wages for different occupations are agreed at state level. Minimum wages for leather workers are therefore different in Tamil Nadu and Uttar Pradesh since these are determined by each state.

**Employees' State Insurance (ESI):** is a national insurance scheme providing healthcare for registered workers, with a contribution from both worker and employer.

**Provident Fund (PF):** is a national pension scheme which both workers and employers contribute to.

There is no specific law covering homeworkers in India. However, there are provisions for them to be covered by minimum wages and other legislation although these are rarely enacted. In general, they are treated as part of the unorganised sector and can be included in special welfare boards run at state level.

### **Homeworkers Fighting Back**

If homeworkers are to fight for their aspirations to be met it is vital they are able to form independent organisations. This would enable them to persuasively make demands of the companies commissioning their shoe uppers, and to make sure that the payment relationship that connects them with intermediaries and manufacturers is transparent.

Typically, small groups of workers stitch in isolation in villages scattered around the area, meaning that the opportunity for homeworkers to meet and organize are limited. It is therefore little surprise that, at present, there is no unified body to connect homeworkers to each other or to represent their interests.

However, efforts towards organising workers have begun with the formation of self-help groups to assist homeworkers with financial management. Cividep has begun training women in a number of villages to form and operate these groups. The idea is to create a number of groups in different villages, which can later formalise and federate for the purpose of articulating their concerns persuasively to the government and private stakeholders.

In some villages, there is resistance to the idea of self-help groups because of interference from intermediaries who exercise inordinate control over homeworkers, or because of a lack of confidence on the part of the workers themselves. Despite this resistance some successes have already been achieved: One village has already formed a group and a second is planned in the same village. In other villages training sessions are taking place and are scheduled.

In the meantime there is an urgent need to legally recognise homeworkers as a workforce, and to establish a definite and clear employment relationship between footwear manufacturers and homeworkers in order to address some of these concerns. At present, production through homeworking is completely unmonitored. Manufacturers must also keep themselves informed of the rates that intermediaries pay homeworkers, and not shrug off responsibility once the work has been put out to subcontractors.





This report focuses on one specific group of workers: those employed to stitch leather uppers in their own homes. However, although these homeworkers are often the most precarious and unprotected workers, they are employed in a supply chain where almost all workers, in particular women workers, are employed in dangerous and precarious conditions

With a total workforce estimated to be over two million in India, large numbers of women are employed, not only as homeworkers, but also in other parts of the supply chain, concentrated in the assembly of leather products, including shoes where they are the majority, with a minority of the women in the workforce in other parts of the leather supply chain. The structure of the industry and the workforce is different in the North from the South, but in both cases the sector is characterised by generally poor pay and conditions, with women in the worst jobs, as some of the examples below demonstrate.

The processing of animal skins into finished leather, and the manufacture of leather products has traditionally been seen as a 'dirty' or 'polluting' occupation in India, long before current concerns with the chemical hazards associated with the tanning process. The workforce was traditionally drawn from Dalit or Muslim communities.

The low status of the work is reflected in the minimum wages, set at 126.48 rupees a day in 2016 in Tamil Nadu, by far the lowest for any manual trade and far from a living wage. Yet many leather workers, including homeworkers, do not even receive this low legal minimum. There is evidence that throughout the leather supply chain, employers are finding ways to avoid paying minimum wages, let alone other entitlements such as social insurance or pension contributions. Studies have shown that a large proportion of the workforce is employed informally, on a casual basis or in some cases through contractors or in small workshops, as a way of cutting costs and creating flexibility in the export market.



fig.4 Women in leather workforce in South India





International concern about the leather sector in India and elsewhere has largely focused on environmental pollution, particularly on modern methods of processing leather which involve the use of a large number of chemicals, some of which such as chrome can be highly toxic if not handled correctly. The unregulated emission of waste products into the local area, particularly water sources, has in some cases caused dangerous pollution and resulting illness for local people. Yet, less is documented about the impact that working with such chemicals has on the health of those employed in the tanneries.

A number of studies has highlighted pollution of the water and land from the tanneries in Kanpur, in the North of India, home for more than 300 tanneries and site of manufacturing of shoes, clothes, bags and belts, most of which are exported. A 2008 study by the Indian Institute of Toxicology Research found that tannery workers had double the risk of morbidity when compared with control groups and linked this to the use of chemicals in the tanning process<sup>6</sup>. Another report highlighted accidents and illnesses among tannery workers in Tamil Nadu and quotes a doctor in Vaniyambadi who estimates that 40% of tannery workers have health problems because of direct contact with chemicals<sup>7</sup>.

Cividep has also been studying conditions in tanneries in the Ambur/Vellore area and have found that tanneries in Tamil Nadu fare abysmally when it comes to occupational health and safety of workers. In January 2015, an incident at a tannery in Ranipet in Vellore District resulted in the death of ten workers, nine of whom were migrants from the Eastern state of West Bengal. One wall of an illegally-constructed Secure Landfill (SLF) tank storing treated effluent collapsed at a Common Effluent Plant, flooding the adjacent tannery's grounds with sludge and drowning the sleeping workers in the middle of the night.

The use of personal protective equipment (PPE) is rarely enforced in the tanneries, and in most cases, helpers are not provided with any safety equipment at all, except while physically handling hazardous substances. There are no ambulance rooms, doctors or nurses as stipulated by the law, even in large tanneries employing thousands of workers. No proper training on handling chemicals, hazardous substances and dangerous machinery is provided, and there are no regular medical examinations. This is in violation of Indian law for industries involving hazardous processes.

Workers often complain of fever, headaches, body or muscle pain, hearing problems, nausea and sometimes reproductive health issues in women, but these complaints are rarely addressed. Migrant workers from poorer Northern and Eastern states are isolated from locals and are particularly vulnerable to the abuse or the callousness of employers. Rampant corruption in state bodies and institutions that are supposed to monitor the tanneries is a major roadblock in the creation of a safe work environment.

Since the industry has been designated as 'hazardous', women are not supposed to be employed in certain operations<sup>8</sup>. Yet, one study of employment in tanneries in Dindigul, Tamil Nadu, estimates that 30% of the workforce is women; all informally employed. In reality the law only prevents women from carrying out the skilled machine work, but they do other often more hazardous and back-breaking work: 'opening hides, trimming and sorting; cleaning lime pits and carrying hides; helping machine operators by transporting hides; helping in drying and dyeing skins, as well as being employed as sweepers, scavengers and cleaners.'

6. Quoted in India: The Toxic Price of Leather, Sean Gallagher, for the Pulitzer Center.

7. Per Bengsten, Danwatch, Toxic Chemicals used for leather production poisoning India's tannery workers, in The Ecologist, October 2012.

8. Millie Nihila, Marginalisation of Women Workers: The Leather Tanning Industry in Tamil Nadu, Economic and Political Weekly, April 17 – 24, 1999.



The hard manual labour involved in their work and the exposure to chemicals in the tanning process has a serious impact on their health. Often recruited by contractors and not directly employed by the tanneries, the women's work is classified as unskilled and they are never treated as permanent workers, paid on a daily basis without social insurance or other welfare benefits, let alone any security in their jobs. This means that, while conditions are bad for all tannery workers, it is the women who are doing some of the dirtiest and heaviest jobs, yet without even the limited protection afforded to officially registered workers.

### Footwear Production

In both North and South India, there is evidence that much footwear production is done through informal or unregulated employment in factories and workshops, as well as in homes. Informalisation is maintained in a variety of different ways: casual employment in large and medium sized factories; contracting within a workplace and subcontracting out to smaller workshops or stitching units where conditions are worse than in factories and unregulated by law, and the use of thousands of homeworkers.

In the factories in Tamil Nadu, for example, one study identifies three types of employment: permanent workers with limited access to workers' social insurance as well as minimum pay rates; casual workers who are paid monthly, without any social insurance and daily piece rate workers with no guarantee of work. More than half the workers surveyed were earning significantly less than minimum wages (already set at a very low level) and about 50% were employed on a casual basis <sup>9</sup>.

In the case of workers in footwear factories in Agra, the same study reported that a system of contract labour is used to maintain flexibility, as well as subcontracting out to smaller units of some processes. Out of 110 workers surveyed, 78% were not receiving wages at the level of the minimum wage and only a small fraction (around 10% in the case of ESI and PF) were enrolled in social insurance benefits meant to be obligatory for regular workers. In contrast to the large factories in Tamil Nadu, the footwear sector in Agra still relies on many artisanal traditional leather workers and contract labour in the factories, as well as family enterprises.

In both North and South, women are employed in the leather sector. In the North, women are most likely to be found working in small workshops, in family enterprises and at home, sometimes as unpaid family helpers. In the South, the expansion of production for export has seen the modernisation of many tanneries and factories with the employment of large numbers of young women, who make up to 85% of the workforce in some workplaces, in ways that mirror their employment in textiles and garments in Tamil Nadu.

Wherever they are employed, women workers are most likely to be treated as unskilled and employed in ways that are not regulated, whether as casual, daily or piece-rate workers.

Although these examples are not exhaustive they clearly point to an entire sector built on informal employment, low wages and the particular exploitation of women in the most hidden parts of the supply chain. Homeworkers are at the extreme end of this system, but are not an anomaly. Efforts to improve working conditions must therefore tackle a general trend towards informality throughout the supply chain and promote better transparency and visibility throughout.

9. CEC Working Paper, Sumangal Damodaran and Pallavi Mansingh, The Leather Industry in India, 2008.



As part of the research carried out for this report we gathered information on the styles of shoes on sale in different retailers, on the brands sourcing from Ambur, and information from homeworkers themselves on the shoes they have been sewing over the past five years in order to establish links between these workers and the brands we all buy shoes from.

Since September 2015, HWW and Cividep have been engaged in discussions with Clarks who acknowledge the role of homeworkers assembling their shoes. In principle, Clarks state that homeworkers should be treated as employees, with the same rights and entitlements as other workers, though they recognise that in some places there are legal restrictions to this. Therefore Clarks is not included in the following analysis of company responses.

In December 2015 we also contacted fourteen companies<sup>10</sup>, to ask them what they are doing to address the risks in their leather supply chains - both to workers and to the environment - and in particular how much they knew about any homeworkers or other informal workers producing their shoes. We have had previous contact with all of these companies and/or engaged with them as members of the Ethical Trading Initiative. Thirteen of the brands responded with more information. Base London, did not respond at all.

In order to encourage greater openness from the companies we agreed not to detail individual company responses, but instead to use the information we received to paint a picture of where UK retailers and footwear brands currently stand on addressing the ethical problems in their footwear supply chains. It is nevertheless important to stress that the quality of company responses did vary greatly. Some companies were open and informative, outlining some of the problems they were facing in understanding and improving the way their leather footwear is produced. Others provided only very basic responses, signposting us to company policies (which often lack detail on implementation) or referring us to internal policies that we were not allowed to see. For some of these companies, leather footwear is a very small percentage of their overall product lines, for others it is their main product.

In all cases the detail provided on the implementation or impact of the work being carried out was too limited for us to be able to assess the individual programmes of brands. However most companies also included reference to a range of initiatives and projects they are participating in, where more information is publicly available. We have included a review of the most relevant initiatives below.

### **Policies to Improve Working Conditions for Homeworkers**

The key demand to retailers using homeworkers in their supply chains is to take a positive approach, which recognizes their legitimacy as workers and accepts the important role played by homeworkers in global supply chains. Attempts to exclude homeworking from supply chains has only negative effects for homeworkers, either they lose their work and income, or their work continues but it becomes more hidden and secretive thus making it harder for homeworkers to challenge poor conditions. Therefore we were keen to see whether companies had developed policies that were focused on supporting homeworkers rather than excluding them.

10. Base London, Asos, Boden, H&M, Inditex (Zara), Marks & Spencer, Monsoon, New Look, Next, Pentland (brands include Mitre, Kickers and La Coste), Primark, Tesco, Sainsburys and William Lamb (a footwear company whose own brands include Gluv and Buckle My Shoe, but who also supply footwear to major high-street retailers).



In fact the responses were quite varied; while some companies were positive about homeworking others were wary. For example one company permitted the use of homeworking only for handicrafts using specific skills. This is, in our view, an unrealistic and undesirable approach - homeworking exists in so many sectors and so many parts of production it is neither possible, nor desirable, to limit its use to handicrafts.

Only one company recognized the vital role of homeworkers in their footwear supply chain. Of the others, even where companies were positive about homeworking in theory, the vast majority had not identified any in their footwear supply chains. One company suggested there may be homeworking in some 'exceptional' circumstances in their footwear production. Three companies described projects they are doing with homeworkers in other supply chains, including one, where work and pay rates are tracked and recorded, which we felt did demonstrate a positive approach to homeworking.

### Labour Rights Along Supply Chains

Many of these high street stores and supermarkets have already been the target of campaigns of behalf of garment workers and so should, in theory, have developed a good deal of experience in dealing with issues in their supply chains much of which could be applied to leather footwear chains. In most cases companies did acknowledge a general responsibility towards workers in their supply chains, and described efforts to carry out monitoring and auditing in factories. It is, however, commonly accepted that auditing fails to pick up all the labour rights issues at factory level, let alone issues for informal workers and homeworkers..

Although informal working is common throughout the leather supply chain including, though not limited to, homeworking, most companies showed little awareness of, or engagement with, the extent of informal working. It is in informal employment that women, and those with the lowest social status - including lower caste groups - are concentrated, and blindness to the reality of informal work makes it impossible to address these forms of discrimination. As such, this failure to understand the true extent of informal work means that companies are not tackling the associated problems of gender and caste discrimination.

Responses relating to supply chain labour rights generally included reference to codes of conduct, along with information about a variety of initiatives companies had joined to improve conditions along supply chains. These included:

**Ethical Trading Initiative:** Most of the companies we have been in contact with are members of the ETI (as is Homeworkers Worldwide – one of the authors of this report). The ETI is an alliance of companies, trade unions and NGOs, which commit to working together, along with their suppliers, towards the implementation of the “ETI Base Code.” This voluntary code – which all members sign up to - includes core labour rights such as the right to freedom of association, non-discrimination and living wages, and should apply to all workers in supply chains, including homeworkers. The ETI has, in the past, run programmes with its members (including HWW) on homeworking. It has not to date however done any work on the leather footwear industry.

**ACT (Action Collaboration Transformation):** Eight companies were members of the ACT initiative, an alliance between brands and retailers and IndustriALL Global Union. ACT aims to secure industry level collective bargaining as a way of ensuring living wages are paid to workers in their supply chain. Ultimately the intention is that workers and manufacturers in the garment sector within a country could negotiate industry agreements which would set wages and conditions for the whole sector, regardless of which factory they work for, and which retailers and brands they produce for. IndustriAll, the union partner in ACT, stress that *'By covering all workers in an industry, industry agreements ensure the inclusion of the most vulnerable*





workers including the many precarious workers, migrant workers, contract workers and home workers found in the garment industry,<sup>11</sup> though it is not clear how such an agreement would apply to informal workers in practice.

One of the major challenges will be implementation; as we highlighted above organising - crucially with informal workers - will be essential to ensure workers can participate in and benefit from this initiative. Currently it is unclear if the initiative would extend to cover workers employed in the leather footwear industry.

### Environmental Impacts of Tanneries

The majority of companies were aware of the chemical and environmental risks associated with tanneries and were involved in some kind of action to address these. Only one company described having no contact with the tanneries from which its leather was sourced.

When we asked companies what they were doing to prevent harm to the environment companies described a range of activities including training for suppliers and assessment of tanneries based on their own standards.

There was limited discussion of the chemical health and safety risks to workers at tanneries, though companies had little to say on other labour rights issues for these workers. A number of companies also raised the issue of animal welfare, although that was not a specific question we put to them.

Brands cited a number of different initiatives which had a focus on the environmental impact of leather production. These included:

**Leather Working Group:** The majority of respondents (seven of thirteen) were members of the Leather Working Group (LWG) and a further three are in the process of, or considering, joining. The LWG is a membership organisation for the leather industry, aimed at improving tanning and leather production to reduce environmental damage. It deals specifically with the environmental hazards of leather production, and certifies tanneries which meet certain environmental standards, awarding them either a Gold, Silver or Bronze medal status. Brands can then use these ratings to help them select suppliers.

The Leather Working Group has a clear focus on environmental issues, rather than on health and safety or worker rights. It is transparent in its approach: information on audits, how they are conducted, how they are scored, and how regularly they take place are all publicly available on the LWG website.

**World Wildlife (WWF) Ganges Scheme:** Two companies cited their involvement in the WWF Ganges scheme, which is one of a series of projects to improve water stewardship across five priority river basins worldwide. One major source of pollution in the Ganges and surrounding area is the effluent from tanneries in Kanpur. This is an area that produces a large amount of leather for export, which is why WWF is working with international brands on this problem. Publicly available information on this scheme is limited and it is impossible to assess its impact to date.<sup>12</sup>

**ZDHC (Zero Discharge of Hazardous Chemicals):** Five of the respondents were signed up to the ZDHC (Zero Discharge of Hazardous Chemicals) group. This industry body, made up of only retailers and brand

11. <http://www.industriall-union.org/industry-bargaining-for-living-wages>

12. [http://wwf.panda.org/about\\_our\\_earth/about\\_freshwater/rivers/ganga/](http://wwf.panda.org/about_our_earth/about_freshwater/rivers/ganga/)





was set up as a response to the Greenpeace “Detox” Campaign. Its main activity is to develop a ‘joint roadmap’ to eliminate the discharge of hazardous chemicals in the apparel and footwear sector. Its primary focus appears to be textiles rather than leather, but its recently revised list of banned substances – cited by a number of respondents - includes a specific segment on leather products. It is not clear if the ZDHC has made much progress towards its target of “Zero Discharge”. Greenpeace has stated that it has been ‘disappointed’ by the progress of ZDHC, and whilst some brands are pushing ahead on their commitments, others are doing little. Greenpeace have said, *‘The ZDHC is undermining the ambitious “Zero Discharges” objective that is enshrined in its name, by falling into the trap of typical industry joint initiatives, where the lowest common denominator prevails.’*<sup>13</sup>

Alongside these voluntary initiatives, companies also face requirements under EU ‘REACH’ regulations to identify and manage the risks linked to chemicals and substances in their products, and a number of companies cited REACH compliance as part of their work on chemicals and glues<sup>14</sup>. The REACH legislation was itself a response to environmental campaigns in Europe. In 2013 the regulations were updated to include restrictions on the use of chrome.<sup>15</sup>

### Our Assessment of Company Responses

Overall the company responses showed a greater level of awareness and activity on the environmental impacts of leather production, than on the conditions of workers in the supply chain. Damage to the environment is often more graphic than the invisible toll on workers struggling with poor work and poor wages – unless those workers are able to make themselves visible through organisation and campaigning. It therefore poses a more immediate reputational risk to companies. Technical issues can also be easier to measure, monitor and address than rights issues such as Freedom of Association, for example. The environmental impacts of tanning and dyeing are, of course, extremely serious, posing threats to the local water supply, agriculture, health of workers and communities.

Large companies are now generally expected to demonstrate that they are thinking and acting ‘ethically’ but this can cover a vast range of issues from animal rights, to carbon footprint, to labour rights to tax status. It can be tempting for a company to focus their energies on issues where there is greatest attention - responding to campaigns and media scrutiny - while not engaging as thoroughly on others. Workers in the leather sector need to be made more visible for their rights to be given a higher priority.



Outside factory gates, Ambur

13. <http://www.greenpeace.org/international/en/campaigns/detox/water/detox/intro/Progress-and-hurdles-on-the-road-to-Detox/>

14. <http://echa.europa.eu/web/guest/regulations/reach/understanding-reach>

15. The tanning industry normally uses Chromium III in their processes, but if not handled properly Chromium III can convert into Chromium VI, which is recognised as toxic.



The leather export industry in India is huge and growing, producing high value export products for most of the biggest names on the UK high street. Yet, the success of the industry has brought little benefit to those it employs.

Ambur's homeworkers make up one part of a huge workforce that is characterised as a whole by poor working conditions, low pay and health and safety issues.. Wherever they are employed; in tanneries, factories, workshops or at home, it is women that tend to experience the worst conditions.

In particular, the thousands of women stitching shoes in their own home experience extreme insecurity, poverty wages and nonexistent health and safety protection. Many homeworkers interviewed for this report were earning less than 10 pence for a pair of shoes sold in the UK for anything between £40 and £100.

As in other countries, homeworkers in Tamil Nadu are almost all married women who are tied to their homes by unpaid domestic work, particularly the care of young children or sick and elderly relatives. They feel they have no other choice than to take up homework as a way of earning cash for their families, sometimes for basic expenses such as health and children's education. The informal nature of their employment, the lack of recognition of their work and their invisibility within the supply chain all contribute to a situation where homeworkers face huge barriers to organising and demanding change.

### Organising for Change

In India, in both garments and footwear, trade unions have a strong history of working for better conditions for workers. However, since the government has opened up the economy for greater exports and more foreign direct investment, employers have found ways to make it increasingly difficult to organise the workforce. This sometimes takes the form of contracting; either using contractors inside the workplace to avoid direct employment of workers or subcontracting to smaller units. In Tamil Nadu, large numbers of young women have been recruited to work on assembly lines of both garments and shoes as a strategy for lowering wages and avoiding union organisation. Unions need to respond by developing organising strategies that reach out to these women workers, and to work together with NGOs to find ways to support organising amongst homeworkers as well <sup>16</sup>.

In Ambur, Cividep has begun supporting homeworkers to come together in self-help groups as a first step in uniting a workforce scattered throughout the area in thousands of homes. Through this process, homeworkers can begin to organise collectively and determine their priorities for change by speaking for themselves about the problems they face in their working and living conditions.

### Brands and Retailers - The Limits of a Voluntary Approach

Many of the high street brands contacted for this report have long been the target of campaigns to improve working conditions in the garment sector. As such many now accept that they have some responsibility for ensuring rights of the workers in supply chains are respected. While this is to be welcomed, there is a long way to go in winning real change for workers, particularly homeworkers who remain largely unrecognised.

The proliferation of codes of conduct, multi-stakeholder initiatives and pilot projects set up by brands and retailers in response to sustained campaigning have been focused almost entirely on formally employed

16. See HWW resources on strategies for organising women workers. <http://www.homeworkersww.org.uk/resources/publications>



workers in the garment industry. In theory, such initiatives could be equally applied to the leather industry but to date few of the brands we contacted are explicitly doing so. Instead the reported focus of Corporate Social Responsibility actions on the leather industry has been almost entirely on the environmental impact of leather and consumer safety issues relating to the use of chemicals in the tanning process.

Even if brands and retailers are convinced to extend the focus of their activities in the leather footwear sector, it is unlikely to make much of an impact for the homeworkers in Ambur and elsewhere. Existing initiatives, where they exist, in general concentrate on the very top of the supply chain and particularly on the large factories. Few brands make meaningful efforts to monitor further down the chain even to subcontracting factories or to address the issues of informally employed workers. Unless brands and retailers make efforts to investigate beyond their first tier suppliers, homeworkers will remain an invisible workforce excluded from efforts to improve the industry.

This invisibility is exacerbated by the almost total lack of transparency provided by brands and retailers, who continue to show great reluctance to share information on suppliers and supply chains. This insistence on commercial confidentiality in relation to sourcing makes it difficult for workers and campaigners alike to hold companies to account on their codes of conduct. Whilst some companies are beginning to publish more information about their supply chains, this is still rare.

An additional criticism of these voluntary initiatives is that they almost entirely fail to make workers' voices and organising central. Workers in large factories can face huge barriers when trying to organise into a trade union; for informal workers scattered in small workshops and their own homes, it can be even more difficult to make their voices heard. The result is for brands and retailers to act in ways which run against the interests of workers themselves; for example deciding to withdraw orders or exclude homeworkers, rather than to ensure that all workers are provided with the rights and benefits they are entitled to. To take effective action in support of better conditions, brands and retailers must begin to listen to all workers in their supply chains.

In order to do this brands and retailers need to work more closely with organisations that actually represent workers. One approach is through the signing of framework agreements between multinational corporations and global trade unions, but such agreements need to include all workers - not just formally employed workers at the top of the supply chain. Furthermore simply signing an agreement will not in itself make a difference if not combined with efforts to actually organise homeworkers.

For example, IndustriAll, the global union which represents workers in the leather industry, has a framework agreement with Spanish multinational Inditex, the parent company of Zara, which specifically includes homeworkers<sup>17</sup>. This is important for the recognition and visibility of homeworkers but will not automatically guarantee their rights are protected because homeworkers are rarely organised in trade unions and may not therefore be aware of or able to act upon any such agreement.

## Regulation

The perceived weakness of voluntary codes has led many to conclude that there is a need to move beyond this approach and introduce stronger regulation and more effective mechanisms for inspection. This is opposed by companies and employers' organisations who argue that greater flexibility is required in order for industries to remain competitive; many governments are supportive of this and the general trend across the world has been to reduce legal protection for workers rather than strengthen it. This flexibility is paid

17. <http://www.industriall-union.org/inditex>



for by workers, in the form of lower wages, more insecure work and the constant threat of losing work to other regions or countries. It tends to lead to informality; growing numbers of workers are now employed in ways that remove the legal protection normally afforded to permanent workers, whether they are defined as “temporary”, “casual” or because, like homeworkers, they are “off the books” and unrecognised.

The International Labour Organisation (ILO) Convention on Home Work spells out the basic elements that are necessary to ensure equal treatment for homeworkers and provides national governments with the opportunity to introduce stronger regulation. Yet up to the present, there have been only 10 national ratifications of this Convention and it is rarely used as a reference in voluntary codes, even where they are largely based on international standards and conventions.

While the ILO Convention on Home Work can provide a broad framework for labour standards for homeworkers, it is unlikely to affect real change in a global economy where the mobility of production undermines the capacity of national governments to regulate and inspect conditions. National regulations therefore need to be backed up by international regulation governing conditions in supply chains, wherever production is based.

Transparency is needed across global supply chains in order to identify the different actors within a supply chain and to allocate responsibility and agency at all levels for upholding rights. At present a few select brands have chosen to publish information about where they are sourcing from, whilst the vast majority continue to keep this information confidential. Instead we need all brands to publish standardised information about their supply chains so that workers and consumers can use this information to hold companies to account. This information needs to go beyond the first tier of the supply chain, including subcontractors and the processing of raw materials.

The production of standardised comparative data on sourcing is not going to come about on a voluntary basis - legislation, ideally at an international level, is required to ensure all companies are held to the same standard. Some proposals for transparency legislation include: requiring companies to report annually on their responses to adverse human rights impacts in their chains; disclosing names and addresses of suppliers and subcontractors; requiring products to include a code linking to web-based information detailing supply chain traceability; and operating a standardised shipping database at EU level providing detailed information of companies' imports and exports.

Transparency regulation would be a significant step towards establishing the responsibility of brands and retailers for conditions in all parts of their supply chain. However, it is important to establish legal responsibility, as well as moral responsibility, if we are to move beyond a reliance on voluntary approaches and companies choosing to ‘do the right thing.’ One proposal is to institute legal provisions for “joint and several liability”. Under this approach, companies that source products from supply chains and manufacturers in different countries would be liable for any violations of labour rights, together with the suppliers located in those countries. Such a provision would ensure that those working on the end of the chain could go beyond any intermediaries or immediate employer to demand accountability for unlawful employment conditions.

In the absence of such an international framework, retailers and brands need to find new ways to check on working conditions in their footwear supply chains; to find ways of identifying the large numbers of informal workers, including thousands of homeworkers; and to include workers' organisations in their monitoring procedures. In the context of India, they need to examine whether gender and caste/ community discrimination is confining many of the poorest workers to employment that is far from decent work.





### **Equal Rights for Homeworkers - The ILO Convention on Homework**

The International Labour Organisation (ILO) is the United Nations agency responsible for setting labour standards. It does this through adopting Conventions, voted on by representatives of employers, governments and unions around the world. The ILO has adopted Conventions on issues such as Freedom Of Association, Migrant Workers, and Forced Labour. Conventions need to be ratified by individual governments to come into legal force, but even where they are not ratified they are seen as setting a standard.

In 1996, in recognition of the growing role homeworkers were playing in globalised industries, and their lack of employment protection, the ILO Convention 177 on Homework was adopted. This Convention defines a homeworker as someone working at home (or another place not controlled by their employer) for remuneration (pay) providing a product or service specified by the employer. Only those who are genuinely independent or self-employed are excluded, which means if employers try to disguise the employment relationship to avoid responsibility to homeworkers they can be challenged.

The main provisions of the Convention call for a national policy on homework, the collection of statistics on home working and most significantly equal treatment for homeworkers. The equal treatment clause specifies:

Equality of treatment shall be promoted, in particular, in relation to:

- a) the homeworkers' right to establish or join organisations of their own choosing and to participate in the activities of such organisations;
- b) protection against discrimination in employment and occupation;
- c) protection in the field of occupational safety and health;
- d) remuneration;
- e) statutory social security protection;
- f) access to training;
- g) minimum age for admission to employment or work; and
- h) maternity protection.

While the Convention has only been ratified by 10 countries to date, it sets an important universal standard of equality for homeworkers, which can be used by organisers and campaigners to challenge unequal treatment.



*Shoe components ready for stitching, Ambur*





### Mapping conditions in leather supply chains

We call on companies sourcing leather and leather products from India to carry out a mapping of their supply chains, from the processing of leather to the final product. This should be done, in a transparent way, in collaboration with other companies, unions, NGOs and workers, to investigate conditions of employment in the sector, with the specific aim of finding out:

1. basic conditions of employment including identifying informal, contract or casual labour, in tanneries, factories, workshops or in homes;
2. paying attention to aspects of gender and caste/community discrimination in the workforce;
3. gap between actual wage levels and living wages for all workers;
4. health and safety risks at all levels and whether workers have health insurance and other social security protection.

### Rights for Homeworkers

Where homeworkers are part of the supply chain, they should be recognised as workers with the same rights as any other section of the workforce, as acknowledged in the ILO Convention on Home Work.

Equal treatment means that homeworkers have the same rights as other workers to a living wage; health insurance and other forms of social protection; rights to health and safety at the workplace; security of employment; and the right to organise collectively for their rights.

### Regulation of Supply Chains

Production is now organised globally, with supply chains stretching across the world. But regulation is still mainly national. While it is important to strengthen national laws and implementation, we also need binding international regulation of supply chains. Codes of conduct are voluntary and have not been effective.

We need regulation to require greater transparency from companies about their sourcing, requiring they publish standardised information on all levels of their supply chains.

We need legislation that is binding on companies to take responsibility for conditions in their supply chains, so that when there are violations of labour rights, there is joint and several liability along the chain.

### Support the Campaign:

You can support the campaign for better conditions for leather footwear workers by asking questions about where your shoes are made and supporting the demands of workers in the sector.

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