Current Recruitment and Employment Processes
in South India Textile Industry
Research Study
Ambekar Institute for Labour Studies
Executive Summary

This research study was commissioned by the Ethical Trading Initiative (ETI) as part of a five-year programme of work focused on the working conditions of mill workers in South India.

The objective of this study was to examine the current recruitment and employment practices in the textile industry, with special focus on the Tamil Nadu region. The specific focus of the study was on understanding:

1. Dynamics of textile and garment sectors in Tamil Nadu and their impact on various stakeholders, particularly on workers
2. Historical employment context for the textile and garment sectors in Tamil Nadu
3. The current context for employment in the sector
4. Existing labour laws and scope of their applicability
5. Government policies and programmes on recruitment
6. Prevailing situation regarding various issues related to socio-economic aspects which are of primary concern to the focus group
7. Current recruitment practices adopted by the employers, its impact on workers, how they work, the agencies involved, and the different actors’ role in recruitment process
8. Retention practices adopted by the employers
9. Examine positive and negative consequences of practices adopted

Accordingly, a primary survey was conducted amongst textile and garment workers in Tamil Nadu, covering twelve districts where the textile workers were concentrated. Simultaneously, Focused Group Discussions (FGDs) and interviews were held with other stakeholders such as employers, brand representatives, government agencies, trade unions, NGOs, recruitment agents, parents of workers who send their young women to work in the city’s mills, etc. Data was also collected from secondary sources and earlier research, in order to develop an objective and comprehensive picture of the employment and recruitment scenario of the area under study.

The study of recruitment practices in the textile industry revealed that informal channels are the most popular means of recruitment used by employers to source workers, as well as by workers to locate employment opportunities. Formal channels are not suitable for potential workers who have an education level below matriculation. As mentioned in several other studies, these channels are brokers, agents, or contractors, who are either workers themselves or independent contractors. The exploitation that occurs is mainly due to a significant lack of awareness regarding conditions of employment by workers, especially young women and their parents. Their poverty makes it difficult to insist on clear and written documents from either the brokers or employers and thus fall prey to exploitation by both.

After exploring the situation in Tamil Nadu, and comparing it in other textile centres, this study concludes that exploitation of women workers takes place at all workplaces where they form the majority of the workforce. While it is true that the exploitation of young women under the Sumangali system still exists even now, what is more significant is the disregard for human and labour rights of all workers by the employers in textile/spinning and readymade garment units in Tamil Nadu.
The study revealed that most workers were paid below minimum wage, and that gender discrimination does exist. Overtime and shift duties were seen to be more as a cultural norm rather than an exception. Very little regard was given to statutory provisions such as provision of separate washing facilities, childcare, setting up of safety committees, and sexual harassment committees. While hostel facilities were provided to outstation workers, there was little transportation provided for those women workers who were on night shifts. There were also no grievance redressal mechanisms available to them.

It was also commonly observed during interviews with workers, employers and government officials that most of them were of the view that even though a permanent job would provide benefits to labour by way of savings and other monetary benefits in the long-term, the workers were not really interested in a lifelong association with a single employer. They were interested in maximising their returns in the shortest possible time, and this is exhibited in their behaviour. Since there remains high demand for work, the employers are willing to pay high wages during peak demand season; workers were found to often quit one job to then begin working for another firm for a short time, as it paid double the wages.

On a general note, it is very clear that over the last decade, there has been significant improvement in female educational levels in the country, and more so in Tamil Nadu. Employers openly indicate preference for employing young women, as they recognise and value their better discipline, productivity and efficiency at work. This has led to increasing demand for young women in several industries at skilled and semi-skilled levels, especially in engineering, IT and textile industries in Tamil Nadu. While the stories of exploitation paint a gloomy picture, there have also been some positive outcomes in regards to economic and social empowerment of women workers. During the interviews, many of the young women were very articulate and satisfied with the independent life they were leading before marriage. It was identified that workers still needed further education, in particular regard to their rights, ensuring their protection in the workplace, and encouraging freedom of association.

The government of Tamil Nadu has been responsive to the situation: bringing in amendments that facilitate business and improve worker productivity (by amendment of the Apprenticeship Act), and introducing regulatory mechanisms to counter the allegations of child labour and Sumangali Schemes. The employer organisations have responded by developing their own ‘Codes of Conduct’ for employers, and are also eager to improve their image regarding good labour practices.

Several recommendations were forthcoming from all stakeholders interviewed workers, government organisations, employers, trade unions, NGOs, brand representatives, and multi-stakeholder forums. They include suggestions for changes in policy at the industry and city levels, which not only improve worker productivity, but also ensure a decent work-life balance for the workforce. Trade unions and NGOs are responsible for ensuring a facilitating environment for the workers and have to cooperate to make the changes happen. Multi-stakeholder forums that encourage social dialogue and participation are best suited for bringing about this change. By coming together, they not only acquire the necessary power to act as pressure points on government and employers, but are also able to function with a holistic perspective of the situation and as a monitoring system that drives the desired change in the industry.
The WellMade Project
WellMade was launched in July 2013, led by Fair Wear Foundation and a consortium of partner organisations. WellMade was developed to help provide everyone working in European clothing companies with tools to understand the major labour issues that they have influence over, and how they can support better conditions. Sessions were offered at a range of European trade fairs, professional events, and in-house with companies. The project was further focused on building a wide-ranging library of useful resources, as well as interactive case studies for all to access. WellMade brought together a unique group of NGOs, business associations and trade unions who were willing to share their expertise and commitment to improving labour conditions in apparel supply chains - all of which continues to contribute implementing sustainable improvements globally for garment workers.

This publication has been made possible with the financial assistance of the European Union. The content is the sole responsibility of ETI and can in no way be taken to reflect the views of the European Union.