

# Spotlight on the garment sector:

## Stitched with slavery in the seams

**Global demand for fast fashion has spurred exponential growth in the garment industry over the last two decades.<sup>1</sup> Clothing production has almost doubled in the past 15 years alone<sup>2</sup> and today G20 countries are collectively importing US\$148 billion worth of apparel goods and US\$13 billion worth of textiles at risk of being produced by forced labour every year.**

Big brands based in wealthy countries increase profits by producing in lower-income countries with low wage rates.<sup>3</sup> Garment workers, hidden deep within these supply chains, face poor or exploitative working conditions, including poverty wages, piece-rate pay (that is, pay rate determined by the number of individual pieces made), forced and unpaid overtime, irregular work, health and safety risks, and lack of benefits such as maternity leave.<sup>4</sup> In their most extreme forms, these exploitative practices can lead to situations of forced labour and debt bondage.

### What are the risks of modern slavery in garment supply chains?

There are risks of modern slavery at each stage of the garment supply chain, from growing and producing raw materials, to processing these into inputs, to manufacturing.



### Raw materials

Raw materials that feed into textile production range from synthetic fibres such as polyester and polyamide, plant fibres including cotton and rubber, manmade cellulosic fibres such as viscose and acetate, and animal fibres such as wool, silk, and leather.<sup>6</sup> The production of many of these materials have been linked to forced labour. Silk cocoon cultivation, for instance, has been associated with forced labour in Uzbekistan,<sup>7</sup> while in Myanmar, children have experienced forced labour on rubber plantations.<sup>8</sup>

Cotton production has a long history of slavery,<sup>9</sup> and continues to be harvested by men, women, and children working in conditions tantamount to modern slavery. Children are recruited to pick cotton due to the perception that smaller hands reduce damage to crops.<sup>10</sup> Forced labour was used to produce cotton in Benin, Burkina Faso, China, Kazakhstan, Pakistan, Tajikistan, Turkmenistan, and Uzbekistan,<sup>11</sup> though the circumstances giving rise to exploitation may vary. In Pakistan, a 2021



survey among cotton farm workers found that 27 per cent indicated that they could not leave work on the farm if they found another job and one-fifth had seen children below the age of 15 working on cotton farms during school hours. These cotton farms relied largely on temporary workers recruited through third parties and often retained the identity documents of their workers<sup>12</sup> — practices that increase the vulnerability of workers and likelihood of modern slavery taking place.<sup>13</sup> In some countries, such as Turkmenistan,<sup>14</sup> China,<sup>15</sup> and formerly in Uzbekistan,<sup>16</sup> governments have forced their citizens to work in the production of cotton.

### Textiles/inputs

During processing, raw cotton is ginned, spun, and woven into textiles.<sup>17</sup> Fibres sourced from multiple countries are combined into a singular fabric at a textile mill,<sup>18</sup> complicating efforts to trace the origins of a finished product. In response to tight turnaround times and reduced profit margins, suppliers sub-contract their production to home-based workers, often women and girls,<sup>19</sup> reducing brand oversight of their supply chains. Informal and home-based workers usually lack formal contracts, making them even more vulnerable to exploitation.<sup>20</sup>

Risks of child and forced labour follow the raw materials into textile production, particularly in countries based in the Asia and the Pacific region.<sup>21</sup> Forced labour has been documented in major exporting countries such as China, where Uyghurs and other Turkic and Muslim majority groups have been forced to work in the production of textiles.<sup>22</sup> In Southern India, recruiters offer young women and girls employment opportunities in spinning mills, where they are paid a lump sum at the end of their contract.<sup>23</sup> This practice, known as a *Sumangali* (married woman) scheme, traps women and girls — many who are migrants or from lower castes<sup>24</sup> — into working until the end of their contract or else risk losing their accumulated earnings that are earmarked to become their bride dowries.<sup>25</sup> Women and girls working in the spinning mills face restrictions on their movement, are forced to work long hours, and are exposed to physical and sexual abuse.<sup>26</sup> Despite awareness-raising on the abuses under *Sumangali* schemes, risk of exploitation continues as recruiters reportedly still market similar practices to vulnerable migrant workers, albeit under different names.<sup>27</sup>

### Dhaka, Bangladesh, April 2020.

*Female garment workers block a road during a protest to demand payment of due wages. Thousands of garment workers who produce items for international fashion brands protested against unpaid wages, and claimed “they were more afraid of starving than contracting the coronavirus.” Volatile demand coupled with increasing pressures from factories to meet deadlines has reportedly led to an increase in labour exploitation in the sector. Photo credit: Munir Uz Zaman/AFP via Getty Images.*

## Unravelling discrimination and exploitation in the textiles industry: The perspective of a survivor of bonded labour

Adhi is a young Indian woman who wanted to save money for her bride dowry. As both of her parents had died, Adhi had to rely on herself to fund her wedding and so she decided to join a working scheme at a local mill.

She approached an aunt and asked for help to find work at a local mill and join the scheme. "...I told my aunt that I wanted to go for some mill work and also help me to join a hostel. She first refused, then later on through a broker for 2000 rupees (approximately US\$24) I got a job at the mill at Vedachanthur,..." she said. Eventually, Adhi began working in the winding department of a textile manufacturing mill in Tamil Nadu state. She also moved into the hostel where the scheme workers were required to stay. "...The work at the mill was hard. ... Even though I had difficulties I was happy that I had people around me, so I joined the hostel..."

Unfortunately, living at the hostel brought its own challenges. Adhi was forced to work long hours with little to no sleep. Access to food and water was also limited. "...In the hostel I experienced lot of problems.

There was limited food; if you asked for extra food it was denied. To take a bath there were five bathrooms, and some days, water would not come. It was quite difficult. In one room six of us had to sleep. One of us will be in day shift or night shift or afternoon shift. ... We cannot sleep properly. If the regular working girls were on leave, they will come and ask us to work even when we had just finished night shift."

When scheme workers like Adhi would try to push back on the long working hours, the regular workers would become abusive. "They will pressure us to do overtime. [They would say] 'You are only in the hostel; why can you not do it? What are you going to do with the scheme money?' We used to receive such scolding."

Adhi's experience reveals a great deal about the dynamics of bonded and child labour in spinning mills in Tamil Nadu. In the years since this experience, Adhi has shared her story to help inform anti-slavery strategies.<sup>28</sup>

## Manufacturing

Following processing, textiles are dispatched to manufacturing facilities to be made into garments, where factory workers are exposed to exploitative working conditions, including excessive hours. In Myanmar, a 2021 survey found that 51 per cent of factory workers usually worked more than 48 hours per week.<sup>29</sup> Similarly, average hours for apparel workers in Uganda ranged between 48 to 65 hours per week. Without set shift times, Ugandan apparel workers are expected to work long hours to finish their tasks, leading them to work to fatigue.<sup>30</sup>

Vulnerable groups such as women and girls are particularly at risk of exploitative conditions in garment manufacturing. Although women and girls are overrepresented in garment factories across the globe, they are relegated to lower-paid and subordinate roles, such as machine operators and checkers. Even if their tasks are the same, women generally receive lower wages than male garment workers due to perceptions that female income is "complementary" to income generated by male breadwinners.<sup>31</sup> In Cambodia, women and girls make up almost 80 per cent of the garment workforce; however, they earn 13 per cent less than male workers.<sup>32</sup> Similarly, in Croatia, women account for 89 per cent of garment workers despite receiving a significantly lower net wage.<sup>33</sup> In Ethiopia's rapidly growing garment sector, workers receive some

of the lowest wages compared to other garment exporting countries, in part due to the absence of a national minimum wage for private sector workers.<sup>34</sup> Workers in Ethiopia were found to be earning as little as 12 cents an hour in addition to experiencing wage deductions as punishment, verbal abuse, and forced overtime.<sup>35</sup>

Migrant workers are also highly vulnerable to exploitation in the garment sector, receiving lower wages and unfair wage deductions, and facing precarious working conditions and higher risks of debt bondage, retention of documents, and threats of violence or deportation. In countries where migrant workers cannot join or form trade unions, they face greater risk as employers exploit their lack of legal protection.<sup>36</sup> In a 2021 survey of factory workers in China, 45 per cent of those who had migrated from another state in China reported that they worked more than 60 hours per week, compared to 31 per cent of those who had not migrated for work.<sup>37</sup> Exploitative labour practices such as excessive hours, low wages, discrimination, and physical and verbal abuse have been reported in garment factories among Bangladeshi migrant workers in Jordan<sup>38</sup> and Syrian refugees in Türkiye.<sup>39</sup> In Malaysia, high recruitment fees, deceptive recruitment, passport retention, overcrowded living conditions, and abusive working conditions have been reported among Southeast Asian migrant workers in garment factories.<sup>40</sup>

## Purchasing practices

Under the UN Guiding Principles, all businesses, including garment businesses, have a responsibility to avoid and address any adverse human rights impacts that their activities caused or contributed to.<sup>41</sup> To do so, they must also ensure that the demands they make to their suppliers are not driving exploitative practices. However, in practice, brands trying to cater to rapidly changing consumer preferences often make unrealistic demands of their suppliers, such as insisting on lower costs and faster delivery times. In turn, this pressure incentivises suppliers to reduce labour costs and increase working hours, exacerbating the risk of labour abuses within a supply chain.<sup>42</sup> Poor forecasting, late changes to order volumes, and delays in providing order requirements intensify pressures faced by suppliers and their workers.<sup>43</sup> Since the

outbreak of the COVID-19 pandemic, in addition to order cancellations, suppliers have experienced more order variability, which further complicates production and operations management.<sup>44</sup> Action by brands to address labour rights and modern slavery risks must include efforts to ensure that their purchasing practices are not incentivising suppliers to exploit workers.

**"Sometimes my girls use to help in our work. We are a very poor family and have no other source of income...When the lockdown was announced, all our orders were suspended and the supplier blocked our payment."**

*Female apparel worker in India, 2020<sup>45</sup>*

## How has the pandemic impacted garment workers?

COVID-19 has worsened conditions for garment workers around the world. At the onset of the pandemic, many international brands shifted losses onto their suppliers.<sup>46</sup> As stores were forced to close and demand fell, brands began to cancel orders for products that had already been manufactured.<sup>47</sup> Some suppliers were forced to close, leading to worker dismissals, lower pay, and poorer working conditions.<sup>48</sup> In Cambodia, for example, garment factory owners were unable to pay workers' entitlements as many buyers refused to pay for goods that were already manufactured.<sup>49</sup>

A study into the impact of COVID-19 on the garment sectors of Ethiopia, Honduras, India, and Myanmar found that working and living conditions had significantly deteriorated during the pandemic. This included — in addition to job and income losses — rising debts, verbal abuse, threats and intimidation, and unfair wage deductions. Many respondents had not experienced these conditions prior to the pandemic and, for others who had, the problems had become more common or severe.<sup>50</sup> A failure to enforce regulations enabled businesses to violate labour standards with impunity, leaving garment workers unprotected.<sup>51</sup>

Brands that had previously been accused of exploitative working conditions, such as Boohoo, were also found to be putting workers at risk of COVID-19. During the pandemic, there were reports of garment factories linked to Boohoo operating illegally through lockdowns, forcing workers to work with a COVID-19 infection, and working in conditions of modern slavery.<sup>52</sup>

The impact of the pandemic on garment workers varies depending on gender, ethnicity, caste status, or union membership. A study of garment workers across supplier factories in Bangladesh, Cambodia, Indonesia, India, Sri Lanka, and Pakistan found that wage theft disproportionately impacted female workers during the pandemic. For example, suppliers would hire women workers on low wages during lockdowns and force them to work unpaid overtime, in addition to verbally, physically, and sexually abusing them on production lines. Heightened economic insecurity left many women workers with little option but to take on large debts or sell assets to afford basic needs.<sup>53</sup> Additionally, garment workers who belonged to an ethnic minority or lower caste were also more likely to have their contracts terminated during the pandemic. Comparatively, those least likely to lose their jobs were workers who belonged to a union.<sup>54</sup>

## How are brands responding to the risk of modern slavery?

Recent legislative changes establishing mandatory reporting for large companies in California,<sup>55</sup> the United Kingdom,<sup>56</sup> Australia,<sup>57</sup> and the EU,<sup>58</sup> as well as mandatory due diligence in France<sup>59</sup> and Germany,<sup>60</sup> have pushed companies, including those in the garment industry to be more transparent. Even more recently, legislation has been proposed in the US state of New York to require fashion companies to disclose their due diligence policies<sup>61</sup> and in the US Senate to require large businesses to audit for forced labour.<sup>62</sup> Today, the biggest brands are paying greater attention to how they are producing their goods.<sup>63</sup> However, efforts are still falling short.

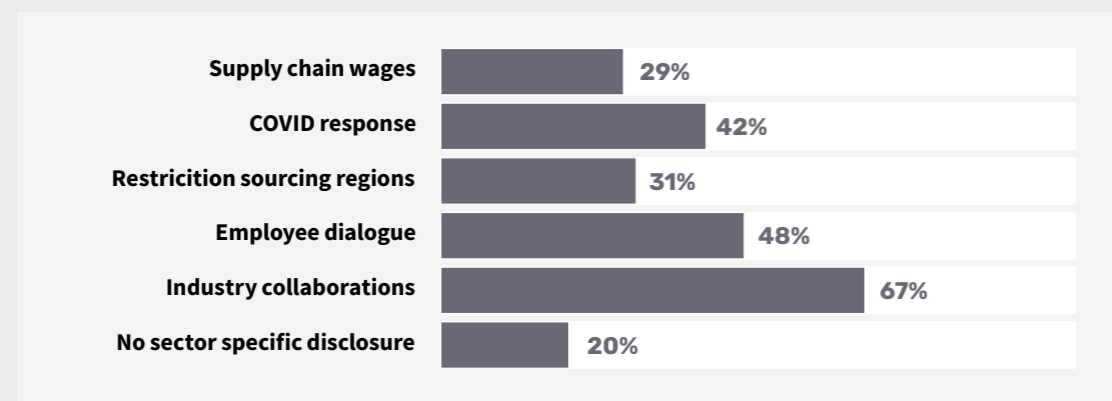
In December 2022, Walk Free and WikiRate assessed 97 statements submitted by the top garment companies and their investors required to report under the Modern Slavery Acts of the UK and Australia. Brands fell short of the requirements of the legislation and largely failed to address the specific modern slavery risks associated with the garment sector. For example, despite increased scrutiny surrounding the sector because of the pandemic<sup>64</sup> and heightened attention to state-imposed forced labour in garment supply chains,<sup>65</sup> many companies failed to disclose taking action to respond to modern slavery risks associated with COVID-19 or to restrict sourcing from regions where the state is involved in the exploitation

of workers. Further, although the complex and transnational nature of garment supply chains requires engagement with workers, suppliers, and other stakeholders within supply chains, and with industry initiatives, less than half (48 per cent) of companies disclosed engaging with supply chain workers or groups representing them, while two-thirds (67 per cent) mentioned membership or partnership with industry-specific initiatives that address modern slavery issues (see Figure 18 for breakdown of the assessment of statements against sector-specific metrics).

Twenty-nine per cent of assessed companies committed to providing a living wage to their supply chain workers. Factory-level data collected by the Clean Clothes Campaign revealed that across 59 factories, the living wage gap averages 40 per cent, meaning that on average these workers need to earn almost 40 per cent more to meet their basic needs.<sup>66</sup> Despite this, it is estimated that the price of a final garment would need to increase by only 1 per cent for all garment workers to earn a living wage.<sup>67</sup>

Notably, expensive brands do not guarantee ethically made products. Despite enormous revenues,<sup>68</sup> luxury brands have been found to be among the poorest performers in terms of addressing risks of forced labour within garment supply chains.<sup>69</sup> Data from the Clean Clothes Campaign also showed that the living wage gap for workers linked to luxury brands assessed by Walk Free and WikiRate was significantly higher (53 per cent) than for non-luxury brands (38 per cent).<sup>70</sup>

**Figure 18**  
Addressing modern slavery risk in the garment sector



## Promising practices: Examples from Southern India

Evaluations housed in the Promising Practices Database<sup>71</sup> can identify what works to end modern slavery in the garment sector. While there are relatively few evaluated programs targeted to the sector — mostly risk-based prevention programs, almost all of which incorporated awareness-raising campaigns and/or preventative education — there is one worth noting. In 2019, the Freedom Fund’s hotspot program in Southern India,<sup>72</sup> which targeted bonded labour in spinning mills and garment factories,<sup>73</sup> evaluated the impact of a film-based curriculum within the program that brought young women and girls together to develop solutions to issues faced at home and in the spinning mills. It was found to positively change attitudes around seeking gender-equitable employment and safer working conditions among participants, as well as improving knowledge on wage entitlements and increasing confidence to act when facing situations of bullying or harassment.<sup>74</sup> Another evaluation of efforts to end labour abuses in Tamil Nadu state found shortcomings in program designs that did not involve local civil society groups,<sup>75</sup> highlighting the significance of ensuring that responses are holistic and are community-led.

## Recommendations for governments

- 1** Strengthen existing supply chain transparency legislation that requires mandatory reporting and implement mandatory human rights due diligence laws. Legislation should require brands to undertake due diligence, including identifying supply chain risks and taking appropriate steps to address and mitigate them.
- 2** Conduct regular labour inspections to identify exploitative practices in the garment sector. Protect rights to freedom of association and collective bargaining in both legislation and in practice to help identify and remedy exploitation and monitor working conditions, ensuring vulnerable groups such as migrant workers can access these safeguards.
- 3** Ensure the national minimum wage meets the standards of a living wage.
- 4** Prevent the import of goods made with forced labour overseas and provide support to producing nations to address forced labour issues. Embed forced labour provisions within trade agreements.
- 5** Provide avenues for redress for exploited workers.