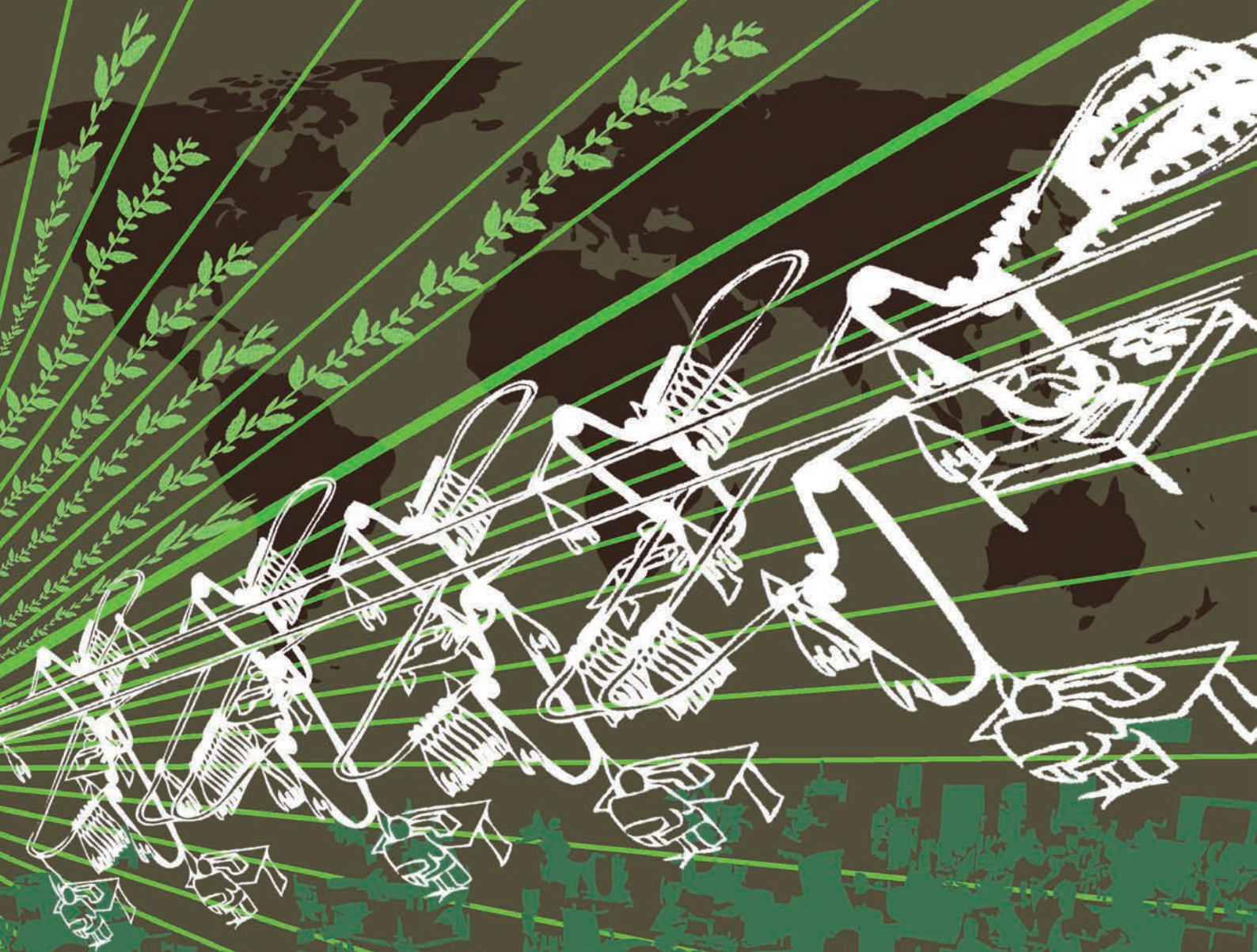


# Just Transition and Decent Work for Garment Value Chain Workers in India



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First published in December 2023

by

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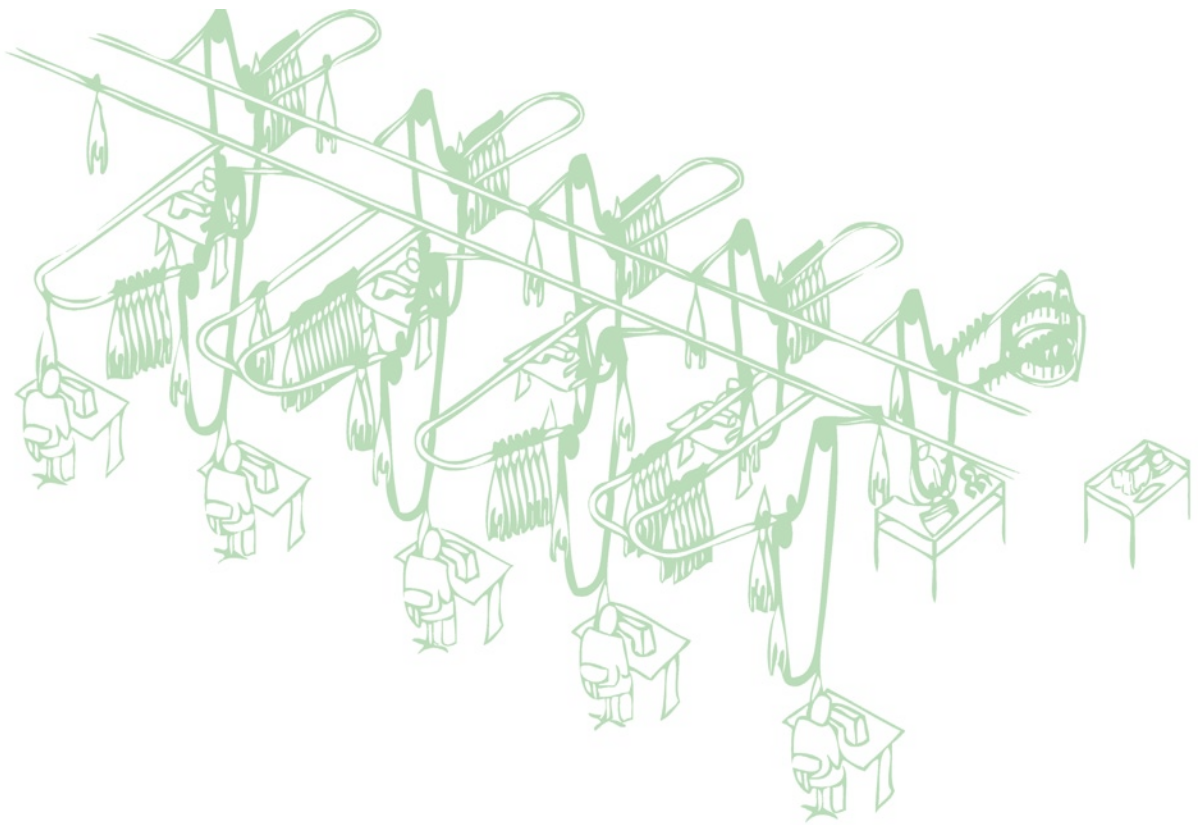
This study report is being published with the financial support of Rosa Luxemburg Stiftung – South Asia, with funds of the Federal Ministry for Economic Cooperation and Development of the Federal Republic of Germany. The content of the publication is the sole responsibility of the author, and does not necessarily reflect the position of Rosa Luxemburg Stiftung (RLS).



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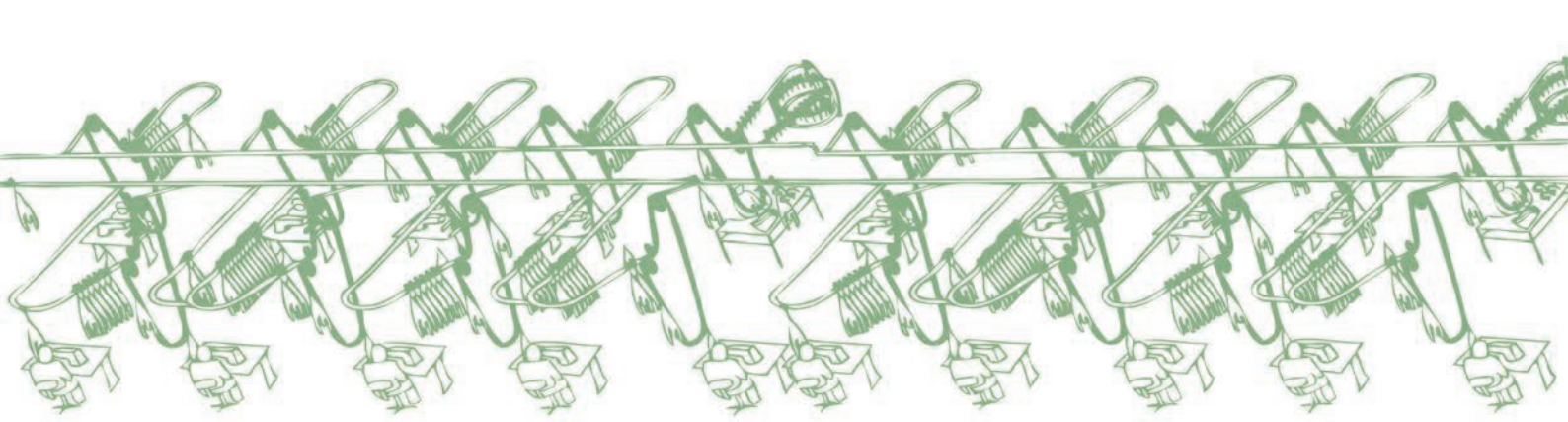
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## Foreword

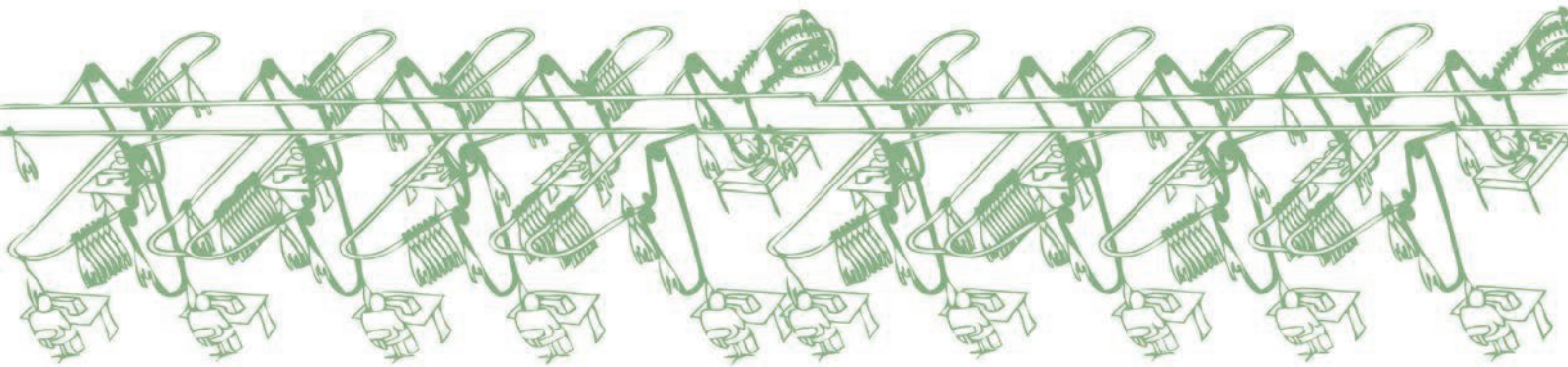
I am delighted to present this study addressing the crucial issue of Just Transition for the garment sector and the associated Garment Value Chain.

The study examines diverse perspectives and approaches to Just Transition, spanning from the status-quoist to transformative paradigms. It provides an analysis of the features characterising the garment value chain and the garment sector in India, spotlighting gaps and challenges related to decent work deficits, occupational health and hazards, environmental impacts stemming from the sector, and reliance on cheap labour.

Furthermore, the study maps out various proposals, schemes, and initiatives originating from authorities, businesses, and international institutions that aim to promote environmental sustainability and decent work. It delves into the challenges and opportunities presented by a series of due diligence and sustainability-related legislations coming from the Global North.

While acknowledging their limitations and exclusions, the study discusses the possibility of leveraging such legislations by labour leaders and environmental activists, in promoting an effective Just Transition agenda for the garment sector, all while steadfastly adhering to a radical, transformative approach to Just Transition.





I extend my sincere gratitude to Sumati Panikkar and Mayur Chetia for their contributions to the draft of this study report. Special thanks are also due to Aniket Chouhan, Aniket Mishra and Ishu Jaiswal for their pivotal roles in conducting interviews with workers. Preeti Bhadula undertook the arduous task of preparing transcripts for many of the conversations, for which she deserves heartfelt appreciation. Additionally, I extend my thanks to Avishek Sharma for his assistance in coordinating the field research.

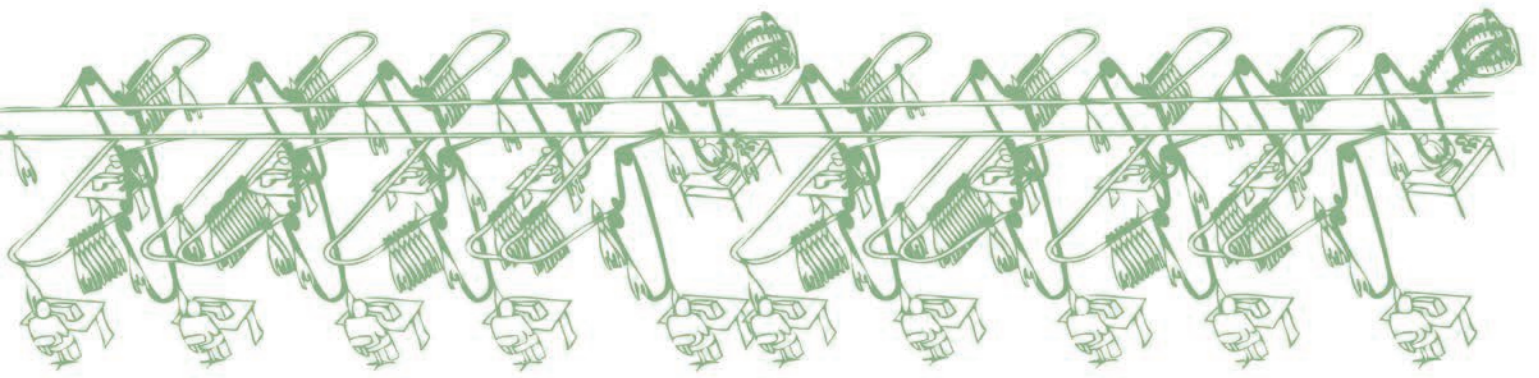
Lastly, I express profound thanks to Rosa Luxemburg Stiftung (RLS) – South Asia, whose generous financial support made this study possible. I especially thank Rajiv Kumar for his guidance and support throughout the entire process of conceptualisation, analysis and publication of this report.

We earnestly hope that this study fosters meaningful discussions on the concept of Just Transition. We eagerly anticipate your valuable comments and suggestions.

**Lokesh**  
Executive Director  
Centre for Education and Communication (CEC)  
Delhi







## Introduction

The garment and the textile industries are estimated to provide employment to 75 million people globally. Such employment is focussed in large measures in the lower end of the value chain, in the low-skilled and low-paid jobs in Asian countries. It is reported that at least three-fourths of garment workers worldwide are women. While being crucial to generate employment, the sector is also notorious for its exploitative nature, and exacerbating inequalities within and between countries through the structure of its global value chain. Due to the high concentration of low-skilled jobs in developing economies, the exporting countries are always at risk of losing out to the 'race to the bottom' nature of international competitiveness, where buyers are willing to swiftly move operations to other lower-cost locations which provide even cheaper labour or costs. Parallel to this inherently unequal structure is the aspect of environmental impact of the sector. The garment and textile industry is known to have significant environmental implications, causing pollution of water bodies, ground water, soil, and air. Accounting for nearly 10% of carbon emissions globally, it is one of the highly polluting industries.

As the world witnesses rapid intensification of the climate crisis in the recent years, revisiting the question of developmental path has come sharply into focus. The call for not just reducing carbon emissions but achieving net-zero, and even *transforming the rules of the economic game* are becoming more urgent and immediate. Several industrial sectors have started taking steps to transition to more environmentally sustainable models, with different degrees of success. Being an industry with one of the largest carbon footprints, the garment industry has also recently started to discuss its move towards a greener model. In this report, the effort would be to build an understanding about such measures and visions, but with the important question in mind: do these conversations about transition and greening include the needs and concerns of the millions of workers from the industry? Or are they focussed on the interests and profits of the corporate businesses alone? Do these perpetuate a narrowly defined understanding of sustainability, to the exclusion of the labour rights, gender rights and social rights questions, or is there a scope to insert within it the question of justice for the majority of working class communities, with all their social diversities? Does green





transition automatically translate to a Just Transition? If not, what can be the substantive meaning and contents of a Just Transition which would include the workers in the process of greening the economy?

In this context, we will look at the meaning and implication of a Just Transition for the garment sector in India, with a focus on Delhi NCR.

### **Scope of the Study**

The primary purpose of this study is to chart out a possible understanding of a workers-centred Just Transition in the garment sector in India. In order to achieve this, the following was the scope of study for the research:

- Examining the various proposals from different stakeholders (government authorities, industry bodies, international institutions etc.) regarding green transition in the context of the Global Value Chain linked garment sector of India.
- Looking at the implications and meanings of these proposals for workers of the sector. How inclusive these proposals are, in terms of accounting for the voices of and impact on the workers? What are the gaps in the proposals from the perspective of workers?
- Looking at the scope and arenas of intervention by the unions and workers organisations within these processes.
- Mapping out the basic elements necessary for an inclusive Just Transition which would keep workers at the centre.

### **Research questions**

To develop an understanding of the above areas of study, the research focussed on the following questions:

- What are the proposals and current policies for green transition in the GVC linked-garment industry in India as put forward by state, capital and labour?
- What are the current status and implications of these proposals?
- What are the views of different stakeholders regarding green transition in the garment sector in India, and is there scope for convergence (of different proposals)?



- What are the challenges faced by the garment workers, in terms of their human and labour rights, especially with reference to the garment sector in Delhi-NCR, and India in general?
- What could be the constituent features of a radically defined Just Transition that addresses the concerns of the workers of the garment sector, among others?

## Methodology

The study was undertaken from May to December 2023. The methodology for the study comprised:

- Review of secondary literature
- Review of reports and proposals of authorities, business organisations, labour institutions etc. We have particularly used the documents of International Labour Organisation, and government instituted business bodies such as - the Apparel Export Promotion Council (AEPC).
- Interviews with trade unions leaders, civil society representatives, labour researchers and business representatives.
- Interviews with garment sector workers in Delhi NCR

Interviews were conducted with 33 garment sector workers in Delhi NCR, between September to November 2023. Out of this, 24 were female and 9 were male. Contract workers and piece-rate workers comprised 27 workers among the sample, with 3 being permanent workers. A majority, 23, work as tailors, 3 workers employed in thread-cutting, 1 each in embroidery, hand stitching work, packing, quality check and ground reporting. All the workers resided in a congested workers' residential area on the border of Delhi and Haryana, and work in garment factories or units in industrial areas in Haryana such as Manesar and Udyog Vihar. Two Focus Group Discussions were also conducted in November 2023. Qualitative and semi-structured interviews were conducted with workers in their residence or local community centres, with questions and conversations focussed on the nature of work, working conditions, living conditions, awareness about climate change and just transition discourse.

We have also assimilated some of the findings of a survey conducted with 307 garment workers in 2021.



Interviews were conducted and inputs were taken from 10 domain experts between May to December 2023, including trade union leaders, workers' organisations representatives, labour and environment researchers, and business representatives. These were semi-structured interviews with questions focussing on the understanding and definition of Just Transition, understanding of prevalent discourses on climate change and green transition, the challenges of garment value chains etc.

The report is divided into five chapters. Chapter 1 will briefly outline the structure of the garment industry and situate it within the context of the global value chains (GVC). The global garment value chains framework is important to understand the context and conditions of garment industry in India and the question of Just Transition. The GVC determines the production relations and working conditions, and it also largely shapes the question of the environmental impact of the sector. The changes and transitions that need to be brought about are also framed by the way that the industry is structured. The chapter will then also give an overview of the garment sector in India, primarily focusing on the question of informal labour.

Chapter 2 looks at the various proposals that have emerged from government and business quarters regarding green transition, sustainability and Just Transition. We situate the proposals in the context of the different definitions/approaches to Just Transition that have emerged in recent times. Some of these proposals have taken the shape of policies, and some are still being discussed. It highlights the potentials and problems of these proposals, and also their limits and exclusions.

Chapter 3 discusses some of the findings from the interviews of garment workers from Delhi NCR, with regard to their working and living conditions. One common aspect that all the workers highlighted regarding their work in different segments of the garment value chain (export factory and small production units) was related to occupational safety and health concerns. While these are by and large the conditions that workers, especially informal workers, across the board are faced with, our interviewees shared the specific nature of occupational health crises faced by them as garment workers. Garment industry has historically been known for occupational diseases such as tuberculosis. Thus, ensuring health rights of workers emerges as one of the key components of a Just Transition, through these interviews. The chapter then discusses the perspectives of the trade union leaders and other experts on Just Transition.

Chapter 4 discusses the different due diligence and sustainability related legislations, the gradual increase in the awareness among the suppliers, the challenges faced by the sector, and explores the possibility of leveraging such legislations.

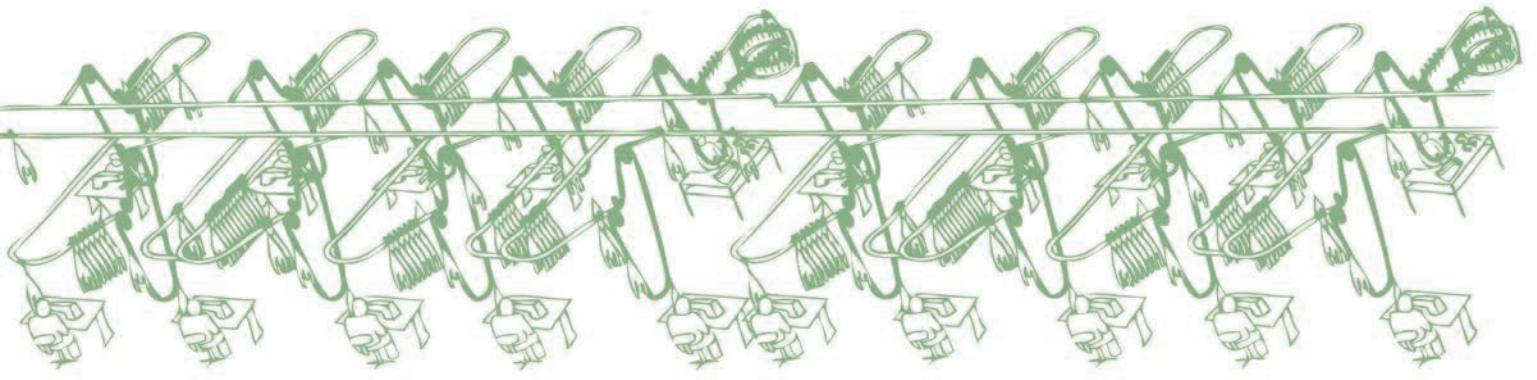




Based on the findings from the interviews and research, the final chapter attempts to draw out the broad pillars of a workers-centric conception of Just Transition in the garment industry in India.

The conversations on green transition is still new in the garment sector, as compared to some of the other sectors such as coal and automobile. Workers and workers organisations so far appear to have remained outside of these conversations on green transition, and no concerted efforts to include them appears on the horizon. It is important to urgently bring the question of green transition and the related idea of Just Transition into the discussions of trade unions and workers, so that they contribute more vigorously to the development of a Just Transition perspective, especially in the context of the garment sector. What would a radically defined vision of Just Transition for an ecologically sustainable garment sector may look like? This report hopes to contribute towards building of that vision.





## Chapter One

# The Garment Sector and Its Value Chains: An Outline

The garment industry is organized in a complex commodity chain or production networks at a global level, becoming particularly globalized in the last few decades. The supply chain is weaved into a web, ranging from growing cotton or other raw material to ginning, spinning, weaving, dyeing to garment and apparel production in factories—all of which could be taking place in different countries.

India became an important nodal point of this global commodity chain in garment in the 1980s. The chain is scattered across the country in several fragmented clusters and zones, each with a broad product specialization. NCR is one of the major garment industrial clusters in the North of India.

In a global value chain, “production is vertically disintegrated, both geographically and in terms of ownership”<sup>1</sup>. A product’s value chain is fragmented between different production units which are independent firms but with “highly uneven power relations”. To put it simply, supplier firms are lower down the chain, located mostly in low-cost developing countries, and do not sell their product directly in the market. Rather they undertake contracted production for the lead firms which are most often located in high-wage, advanced industrial economies, and are managed and governed by them. The lead firms are the ‘buyers’ in this chain. The buyers manage the supply chain, integrate the different production tasks and segments, and also take the final product to the market. Different production tasks are carried out by different firms, located in many different countries. But the highest value tasks of the production chain—design, branding, marketing—are controlled by the lead firms and most often placed in the high-income countries of the Global North. The Global South as a result is, in effect, contracted producers and manufacturers, while the power and ownership are skewed majorly in favour of the buyers, big brands and retailers.

The buyers or lead firms are not direct employers of the workers in the factories, but they exert substantial influence over the companies which employ labour. At the

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<sup>1</sup> Dev Nathan, Meenu Tiwari et al, eds., *Labour Conditions in Asian Value Chains*, (Cambridge University Press, 2016), 5



same time, they do not take accountability for ensuring any collective bargaining process in the factories. The vertical relationship between buyers and suppliers ensures that buyers/lead firms capture the major part of the profit accruing from the whole process,<sup>2</sup> while manufacturing firms get just competitive profits. Garment manufacturing has notoriously high flexible conditions of labour. For example, the fluctuating volume of production with sudden spurts of orders constrain the suppliers and influence their labour practices, like enforcing forced and underpaid overtime, lower wages, hiring contractual workers for even shorter periods of time. Buyers overall do not seem to have any or much legal culpability in incidents of workplace accidents or violations of workers' basic rights. For this reason, suggestions have come to set up quadripartite negotiation mechanisms in place of tripartite ones, by including the buyer firms into the process and holding them accountable in discussions on wages, worker's rights and working conditions.<sup>3</sup>

The nature and location of power within the GVC determines the labour relations and working conditions for workers in the supplier end of the chain which are concentrated in developing countries of Global South. Dev Nathan points two ways in which this happens. One, the distribution of profit along the chain determines their ability to pay the workers more than a competitive wage. The supplier firm is crunched for profits and unable to put investments in higher wages, better working conditions or technology. Secondly, the business practices of lead firms also affect the labour relations. If the practices of the firm are based on fast fashion, it would mean tighter delivery schedules, closely peaked orders. In turn, the manufacturing firms will manage these periods of increased demand with mandatory overtime, lower wages and additional-temporary labour, instead of additional fixed investments.

Nathan also argues that the suppliers' bargaining power within the GVC also depend on the complexity of the outsourced task. If it is something widely available, then the scope of supplier's gains is much less. For example, the Cut-Make-Trim in garment manufacturing is a basic assembly operation, which many countries in Asia will be willing to do. Therefore, this gives less bargaining power to the suppliers or workers to achieve more wages. The gains made by buyers are mainly due to the wage difference between countries of Global South and the North. For the developing countries, the GVC brings the risk of being permanently operating in low value-added work. There is very less scope of skill building, transfer of technology or upgradation – says Dev Nathan.

## Garment sector in India

<sup>2</sup> Dev Nathan, "Industrial Relations in a Global Production Network: What can be done", *Economic and Political Weekly*, Vol. 48, No. 30 (July 27, 2013): 29-33

<sup>3</sup> Ibid.





Indian Textile and Garment industry is the second largest manufacturer in the world, after China. Its share in total exports was 12% in 2018-19. The major export destinations are EU and USA with 43% share. 45 million people employed directly and 6 million people in allied sectors. Out of this, women workers are estimated to be between 40% to 60-70 %, a majority of them employed in informal, unorganized or home-based units. There are 8 major manufacturing centres spread across India. The industry is spread between urban and rural areas. Rural areas account for the raw material cultivation, spinning and handloom weaving, traditional crafts end of the value chain. The urban centres account for power loom weaving, mills, factories manufacturing readymade garments and apparel. NCR one of the major garment industrial cluster in the North of India.

India has the highest levels of informal and informalised labour globally. According to Alessandra Mezzadri, a two-fold process of informalization can be particularly seen in the garment sector: inclusion of informal economic activities into wider economic circuits, and the spread of informal labour relations within formal production.<sup>4</sup> The process of informalization shaped and facilitated by India's massive structural inequalities based on caste, gender, region and geography, as well as the rural-urban divide. The state has played an active role in incentivizing and legalising informality and contractual labour in the last two decades.

Garment industry in India is divided into 3 layers. Large factories oriented mainly towards exports, found in designated industrial areas in urban centers and Export Processing Zones, Textile Parks. The second kind of garment units is medium and small factories, which could have access to domestic markets or act as subcontractors of larger export factories. The lower tier of this includes informalized and unregistered units. The third layer is the vast non-factory segment which are an important part of garment work historically, composed of workshops, own-account home units and home-based work. Non-factory work is at the margins and peripheral realms of global garment production, characterized by high levels of vulnerability and informality. The informal segments are largely feminised.

As far as the garment sector in Delhi is concerned, it has all the three layers of garment firms. There are big enterprises of exporters with around 400-700 workers, there are fabricators (small workshops) with 10-50 workers, and there are non-factory workers who often specialise in specific tasks such as *adda-work* or *moti-work*. No reliable data on actual number of garment firms and workers in Delhi-NCR is available, although rough estimates have been made by the AEPC, according to which the number of garment producing units present in Delhi is around 3,000-4,000, while

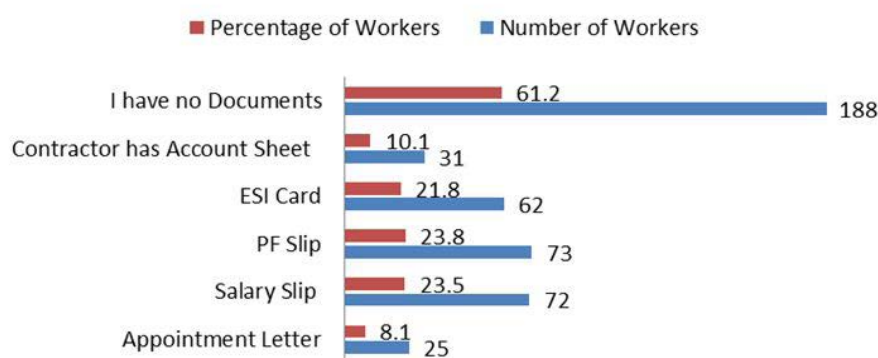
<sup>4</sup> Alessandra Mezzadri and Fan Lulu, "Classes of Labour' at The Margins of Global Commodity Chains in India and China", *Development and Change*, 49 (2018): 1034-63

the number of exporters is set around 600-700. Alessandra Mezzadri reminds us that this “discrepancy between the number of units and that of exporters is due to the fact that exporters generally own multiple units, and that numerous units work as sub-contractors, without having direct access to the export market”.<sup>5</sup>

What connects the different categories of garment producing units – factories, workshops, home-based artisans – are the diverse categories of contractors, who are also responsible for running the “garment machine” smoothly. Significantly, even within the larger factories, portions of the factory-floor, with specific sets of tasks, is delegated to sub-contractors, who recruit the workers and are responsible for them. To escape from regulation, factories are often kept small artificially, and different forms of the putting out system are used liberally. Even the large exporters sub-let part of their tasks (such as adda-work, or moti-work) to home based workers/artisans, connected through sub-contractors. Taken together, it creates a complex “sweatshop”, where workers often find it difficult to identify their employers, or the company that they work for. This, coupled with the imperatives of fast fashion, makes garment work one of the major sites of labour exploitation.

Following are some of the stark findings of a survey conducted with 307 garment workers in Delhi by CEC in 2021<sup>6</sup>.

### What kind of identification document you have as a worker?



More than 60 percent of the workers reported that they do not have any identification document to prove that they work in that garment factory/workshop. Such lack of documentation leads to invisibilisation of a huge chunk of the workers, and thereby makes collectivisation or any form of raising voices against poor working conditions,

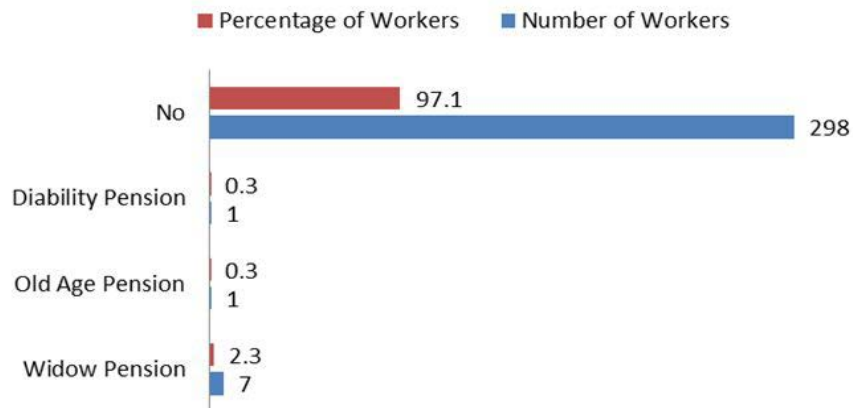
5 Alessandra Mezzadri, “The Rise of Neo-Liberal Globalisation and the ‘New Old’ Social Regulation of Labour: A Case of Delhi Garment Sector,” in *The Indian Journal of Labour Economics*, Vol. 51, No. 4 (2008), School of Oriental and African Studies (SOAS), Department of Development Studies, University of London (UK).

6 Some of the findings of the survey was published in the form of a booklet -, “Labouring in the Garment Value Chain: A Case Study of Gurgaon Industrial Region”, CEC, Delhi, 2021.



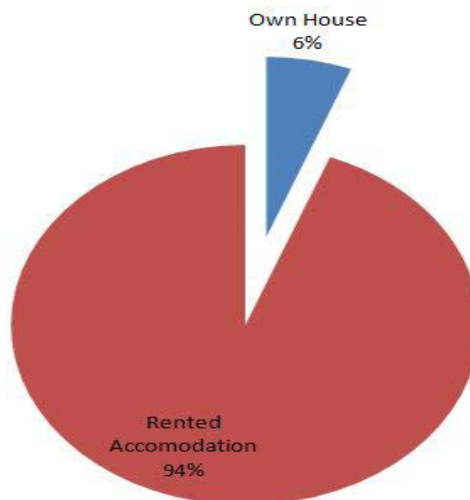
difficult. Only a very small minority has appointment letters. These are the so called permanent workers. But even in the case of such workers, there are no efforts to retain them on a long term basis. Given the seasonal nature of the sector, labour turn-over is very high, very conveniently assisted by the migratory nature of the workforce. Further, only a small section of workers have any access to social security or medical benefits (ESI, Provident Fund etc.).

### Do you get any pension?



The second diagram only proves the point about the migratory nature of the workforce. Only 6 percent of the workforce have their own housing, and the rest lives in rented accommodations, often no more than a 6X6 meter room, with an entire family living in it. What needs to be underlined here, however, is that it is also the poorly paid nature of the garment sector job, that makes permanent foot-holding in the city difficult for the working class communities.

### What kind of housing you have in the city?



A very small section of the garment workers receive pension. The huge majority have





no access to any pension scheme, either provided as a form of welfare scheme by the government or the employers. While the large majority of the work-force is young, they hardly have any access to a social security net post-retirement life.

To sum up, working conditions of garment workers in India are among the poorest, characterized as “sweatshop regime” by Mezzadri in both factory and non-factory spaces, with high intensity of work, non-recognition as workers, unpaid overtime, with working hours extending to 12 to 14 hours a day, high instances of sexual harassment, and invisibilisation through different mechanisms of putting out system.

The pathetic conditions of the garment workers, however, cannot be said to be singular boon to the sector. It is currently mired in serious trouble, with strong possibilities towards stagnation. We will discuss this dimension in chapter 4. Let us now discuss briefly about the environmental impact of the sector.

### **Environmental impacts of the Sector:**

The garment and textile industry has significant environmental implications, causing pollution of water bodies, ground water, soil, and air. It accounts for nearly 10% of carbon emissions globally. The impacts are concentrated in different points of the process, but particularly in four areas<sup>7</sup> :

- Water and chemical use in weaving, dyeing and finishing processes in textile manufacturing, along with waste water discharge
- Energy use throughout the chain, but more in textile manufacturing and garment assembly
- Textile waste associated with garment assembly
- Transport emissions throughout the supply chain, involved in moving materials and final products globally

The industry is highly water-intensive, said to consume between 50–100 litres of water for handling just one kilogram of garment. An estimated 79 billion cubic meters of fresh water is used annually across the value chain. The enormous water footprint spans from the cotton farming stage to textile printing, dyeing and finishing. 20% of all fresh water pollution in the world is caused by the sector, particularly textile dyeing and treatment, by discharging waste water containing chemicals into water bodies.

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<sup>7</sup> “Opportunities for a Just Transition to environmental sustainability and Covid-19 recovery in the Textile and Garment sector in Asia”, *ILO Asia-Pacific Report*, October 2021



The Fast Fashion business model that has emerged in the last two to three decades has become a major contributor to garment's emissions. It is based on mass producing low-cost low-durability clothes, which then quickly go out of trend due to changing fashion. Leading global brands are involved in this model. An ILO report states that between 2005 and 2016, the climate impact of various production stages in the apparel sector increased by 35 per cent and is projected to continue to increase<sup>8</sup>. According to the UNEP, the average consumer today buys 60% more pieces of clothing than they did 15 years ago, and each item is being discarded at double the speed than before<sup>9</sup>.

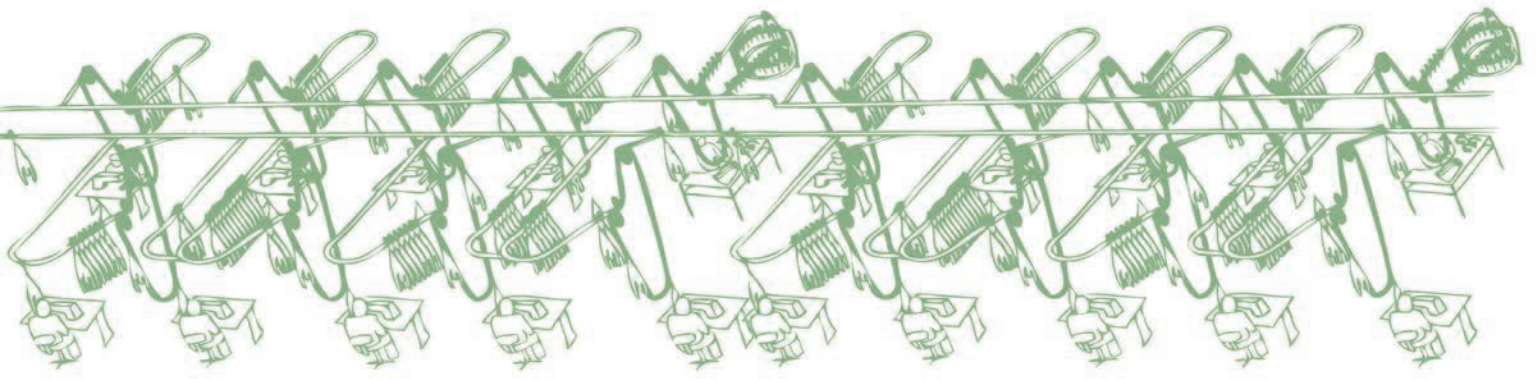
This phase grew hand in hand with the rapid spread of low-waged manufacturing in Asian countries. Labour practices related to fast fashion are considered even more exploitative due to the time-sensitive nature of the orders and competitive costs. To manufacture the growing volume of garments, not only is there excessive use of raw materials and energy consumption in rapid transport required for it, but also the creation of millions of tonnes of textile waste which now ends up in countries of Global South for dumping and recycling. 8.5% of global textile waste is accumulated in India every year<sup>10</sup>. Further, a country like India relies heavily on hard coal and natural gas for electricity and heat production, thereby sharply increasing the carbon footprint of each apparel product. Considering these multiple layers of environmental impact of the garment industry, the issue of green transition becomes very relevant for the sector.



8 Dr Samantha Sharpe, "Opportunities for a Just Transition to environmental sustainability and Covid-19 recovery in the textile and garment sector in Asia", *ILO*, 2022, <https://www.ilo.org/static/english/intserv/working-papers/wp054/index.html#ID0ELGAE>

9 "UN Alliance for Sustainable Fashion addresses damage of 'fast fashion'", UNEP, March 2019, <https://www.unep.org/news-and-stories/press-release/un-alliance-sustainable-fashion-addresses-damage-fast-fashion>

10 Fashion for Good et al, "Wealth in Waste: India's potential to bring Textile Waste Back into the Supply Chain", July 2022, [https://fashionforgood.com/our\\_news/wealth-in-waste-indias-potential-to-lead-circular-textile-sourcing/](https://fashionforgood.com/our_news/wealth-in-waste-indias-potential-to-lead-circular-textile-sourcing/)



## Chapter Two

# Proposals for Green Transition and Sustainability

In the previous chapter, we briefly traced the structure of the global value chain that the garment industry is constructed on, provided an outline of the industry in India, and briefly discussed the environmental implications that the sector brings. Unlike other sectors like energy or the automobiles, the conversation in the garment sector on “green transition” is still in the infancy. This chapter will look at the various proposals and policies which are either in place or have been announced, regarding the ‘green transition’ in garment industry in India, from the side of the government and businesses.

Based on review of available documents, the following appears to be the main areas of focus that the government and businesses have put forward for green transition in the garment sector: shifting to renewable energy sources; circular economy; and waste and pollution reduction. We will look at some of these in detail. There is also the question of green jobs and skilling, which remains unaddressed in the available documents and proposals. Finally, we outline some basic gaps and problems with these proposals, which limit their effectiveness in providing the required green transition in the sector.

### Defining Just Transition

The term “Just Transition” was first used by trade union leaders in the USA in 1980s to talk about rights of workers affected by factories closing down in large numbers due to new pollution regulations. However, in the last decade the word has been used in the context of sharpening climate change crisis, and the efforts on the international level to counter the same, while trying to save jobs, and make the transition process less painful, especially for the workers and the most vulnerable.

According to the ILO, a Just Transition means “greening the economy in a way that is as fair and inclusive as possible to everyone concerned, creating decent work opportunities and leaving no one behind. It ensures that in the process of transitioning to a green economy, people in jobs and occupations that are reduced and phased out



have pathways to transition to other viable employment, and have social protection on this pathway”<sup>11</sup>. ILO has developed guidelines which put sustainable development, decent work and green jobs as essential policy frameworks for Just Transition and that it should contribute to the goals of inclusivity and poverty eradication.

With the increasing popularity of the concept, diverse interpretation and approaches-regarding Just Transition has also emerged in recent times. It can now “range from a simple claim for jobs creation in the green economy, to a radical critique of capitalism and refusal of market solutions”<sup>12</sup>. At least four broad approaches<sup>13</sup> have been mentioned by a Just Transition Research Collaborative, viz.

1. *Status Quo Approach* –doesn’t not involve changing the rules of global capitalism, but rather a greening of capitalism through voluntary, bottom-up, corporate and market-driven changes. *Examples -corporate-run job retraining programmes, pension schemes and other forms of compensation for affected workers.*
2. *Managerial Reform Approach* - greater equity and justice is sought within the existing economic system and without challenging existing hegemony. Certain rules and standards are modified and new ones can be created—on access to employment, occupational safety and health—but the economic model and balance of power do not change. *Examples- ILO’s Just Transition Guidelines, that calls for skills development, OSH measures, the protection of rights in the workplace, social protection and social dialogue.*
3. *Structural Reform Approach*- involves institutional change and structural evolution of the system. Solutions are not solely produced via market forces or traditional forms of science or technology, but emerge from modified governance structures, democratic participation and decision making, and ownership.
4. *Transformative Approach* –involves an overhaul of the existing economic and political system that is seen as responsible for environmental and social crises. it promotes alternative development pathways that undermine the dominant economic system built on continuous growth, and imply profoundly different human-environment relations. It includes advocacy for short-term measures in support of workers and their communities (such as job retraining, decent pensions with health care, job-creating community economic develop-

<sup>11</sup> “Guidelines for a Just Transition towards Environmentally Sustainable Economies and Societies for All’, International Labour Organisation, 2015

<sup>12</sup> Just Transition Research Collaborative, “Mapping Just Transition(s) to a Low-Carbon World”, 2018, 11

<sup>13</sup> Ibid., 12-15



ment), but also insists on the need to adopt a more systems-critical approach: It also involves the dismantling of interlinked systems of oppression—such as racism, patriarchy and classism—that are deeply rooted in contemporary societies.

In the manner in which present conversations around green transition are taking place in India today, it is the first two approaches that appear to be dominant today. There is a chance that efforts to address climate-change impacts may end up reproducing existing inequalities, without holding accountable the policies and systems which brought the world to this stage of crisis. However, given the global reach and complexity of the global value chain linked garment sector, visualising radical, transformative approaches is also a challenging task. Dev Nathan for instance believes that nothing short of a complete transformation in the GVC structure of the garments can bring sustainability, and real change for the workers in the sector (Interview, Dev Nathan). In this context that some of the elements of the second approach can help build the initial steps for moving towards the structural reforms and transformative approaches. It is in this context that ILO's Just Transition Guidelines, that calls for skills development, OSH measures, the protection of rights in the workplace, social protection and social dialogue can play a significant role. The Report of the Just Transition Research Collaborative itself provides the example of the US-based LabourNetwork for Sustainability, which advocates for a series of short-term measures in support of workers and their communities (job retraining, decent pensions with health care, job-creating community economic development), but also insists on the need to adopt a more systems-critical approach. The immediate focus therefore will have to provide cushioning to vulnerable communities, including workers and migrants, who bear the brunt of the poor working conditions in the lower tiers of the garment value chains, and yet whose voices are hardly counted in the discussions on Just Transition. The concept of Just Transition, when properly articulated, provides possibilities of re-envisioning a present & future based on just and equal access and distribution of resources, a change from the present inequalities. For this to happen, it must be a process which brings on board the voices, interests and needs of all section, and most of all of the affected majority of the working class communities.

We will find additional opportunities to delve into these questions later on. For now, let's have a look at some of the proposals regarding the shift towards sustainability and green transition put forth by both governmental bodies and businesses.

## Proposals for Green Transition

The proposals of the government and businesses regarding the transition to green economy, can be seen to have these broad focus areas: *renewable energy; circular*



*economy; reduction of pollution and waste; green jobs.*

The supply chain of textiles and garments is heavily dependent on energy consumption from electricity to fuel –right from the stage of production of fibres and yarn to fabric, design, and distribution. Energy consumption makes for 15 to 20 % of the total production cost.

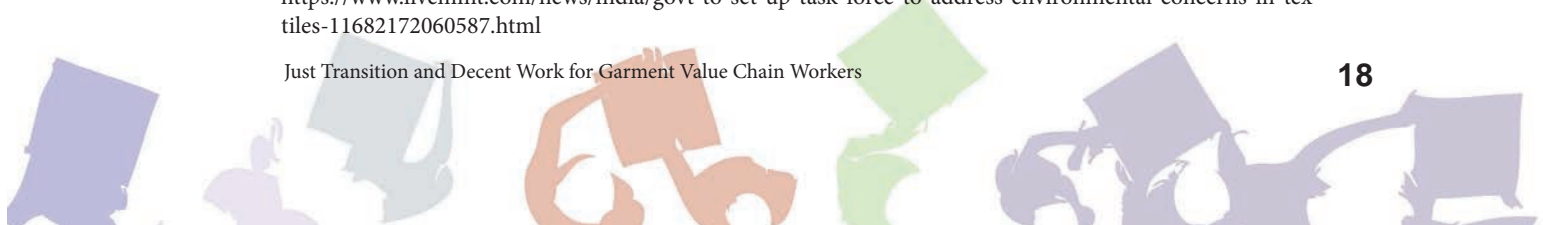
Corporate consultancy firm Mckinsey estimates that if the fashion industry has to reduce its emissions in a way that aligns with the Paris Agreement, it would require stakeholders across the entire value chain, from upstream production and processing, through retail operations, to the consumers themselves to act on it<sup>14</sup>. It states that the industry can reduce its annual emissions to around 1.1 billion tons, around half of today’s figure, “but it will require significant additional effort beyond current decarbonization activities”. The roadmap it gives has 3 steps. The first is reducing emissions in upstream operations where 70% of this industry’s emissions come from, by de-carbonizing material production material processing and manufacturing, while minimizing waste. “Fashion brands can support their suppliers and manufacturers by publicly supporting the transition to cleaner energy sources for upstream operations”. Secondly, the brands would need to reduce their own emissions during operations by improving packaging, minimize returns, reduce overproduction, scale up use of sustainable materials. The last of this to ‘encourage sustainable consumer behaviour’ by steps as reducing washing and drying cycles, and recycling and trading their clothes. “For the industry to reach the 1.5-degree pathway by 2030, one in five garments will need to be traded in a circular model”.

## **Government Initiatives**

In April 2023, news reports stated that in order to respond to environmental concerns in the textile sector, India’s Commerce Minister Piyush Goyal talked of setting up an Environmental, Social, & Governance (ESG) task force in collaboration with industry and concerned Ministry representatives “to help prepare a road map for sustainable textiles and to facilitate transition of the textile and apparel industry to socially compliant international norms”<sup>15</sup>. He said that the task force would conduct studies on textile waste and sustainability certifications, etc. Pertinently, the news report highlights that this task force is launched in the context of “India negotiating a free trade agreement with western countries with a strong interest in boosting textile exports, while the western countries are increasingly insistent on including environmental norms in

<sup>14</sup> “Fashion on climate: How the Fashion Industry can urgently act to reduce its greenhouse emissions”, *McKinsey & Company*, 2020, <https://www.mckinsey.com/industries/retail/our-insights/fashion-on-climate>

<sup>15</sup> “Government to set up task force to address environmental concerns in textiles”, *Livemint*, April 2023 <https://www.livemint.com/news/india/govt-to-set-up-task-force-to-address-environmental-concerns-in-textiles-11682172060587.html>



these FTA negotiations”. The Minister also added that the government aims the textile sector of India to reach 100 billion USD in exports and 250 billion USD production value by 2030.

Further, in order to ‘mainstream sustainability and circularity in the textile sector’, in October 2022, Indian Ministry of Textiles signed an agreement with the United Nations’ Environment Programme (UNEP) and the Cotton Corporation of India (CCI) at a consultation on ‘Sustainability in the Textile Value Chain’ celebrating World Cotton Day<sup>16</sup>. The press release stated that its purpose was to “discuss sustainability initiatives across the textile value chain, digital interventions along with potential strategies for enhancing sustainability and circularity in the Indian textile value chain”, as it was “no longer a matter of choice for the industry”.

## 1. Renewable energy

During the recent G20 summit, India-based business groups collectively wrote to the leaders of G20 countries, asking for strong policy action to enable a just and clean energy transition. They asked G20 to “propose a vision for how the international community can orchestrate an equitable clean energy transition in a way that preserves the 1.5°C limit while delivering the much-needed finance, technology transfer and capacity-building to countries in the Global South”<sup>17</sup>. Their main demands included: setting targets and timelines at country level for the phase out of all unabated fossil fuels; accelerating clean energy to reach a 100% decarbonised power grid by 2035 in advanced economies and by 2040 for other countries, as per the IEA’s Net Zero 2050 scenario; putting in place national decarbonisation roadmaps with interim targets and milestones to accelerate transition before 2030, and in line with achieving net zero emissions by 2050; Deploying Zero Emission Vehicles (ZEVs); accelerating global financial architecture reform to ensure an equitable flow of climate finance towards developing countries, including delivery of the overdue \$100B per year climate finance goal.

In 2017, Ministry of Textiles started a solar energy scheme for the development and upgradation of powerloom sectors in the country. Under this scheme, the Government offered to provide assistance for the installation of a solar power plant to address power shortage issues faced by the decentralised powerloom units. In May 2023, Union Minister for Power, New & Renewable Energy R. K. Singh stated that the government will be launching a new scheme for distributed applications of

<sup>16</sup> “Ministry of Textiles celebrated World Cotton Day”, *Public Information Bureau, Government of India*, October 2022, <https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1865988>

<sup>17</sup> “G20: Business needs enabling policies to supports a 1.5 degree C aligned just, clean energy transition”, *The Climate Group*, 2023, <https://www.theclimategroup.org/g20-business-needs-enabling-policies-support-15degc-aligned-just-clean-energy-transition>



renewable energy (DRE). The steps will include making DRE equipment affordable. The Minister released reports by CEEW and Villgro to show that “clean technologies have the potential to impact 37 million livelihoods in India’s agriculture and textile sectors and translate into a market opportunity worth almost INR 4 lakh crore (about USD 50 billion).”<sup>18</sup> He also claimed that 70 per cent of women and farmers using clean technology reported an income increase by 35 per cent. These were based on using clean-energy powered products such as solar-powered silk reeling machines, multi-food processors, micro solar pumps, solar vertical fodder grow units, among others.

Among state governments, the Maharashtra Government’s Department of Textiles brought out an Integrated and Sustainable Textile Policy in 2023 for a period of 5 years, which promises to provide subsidies for solar project installations by textile units in the state, support for effluent treatment plants, and zero liquid discharge facilities to help the industry transition<sup>19</sup>.

### **Solar Energy Scheme for Powerloom sector, 2017**

The Ministry of Textiles brought a solar energy scheme for the development and up gradation of powerloom sectors in the country. Under this scheme, the Government was to provide assistance for the installation of a solar power plant to address power shortage issues faced by the decentralised powerloom units.

- Powerloom units having upto 8 looms were eligible for this assistance.
- The solar energy scheme was to provide financial assistance in the form of capital subsidy to small power loom units for installation of Solar Photo Voltaic (SPV) plants to ease the problem of power cuts and shortage faced by decentralised powerloom units across the country.
- Under the solar energy scheme, the solar plants will have two options: On-Grid Solar Power Plant without battery backup to be installed in the areas where power cut and shortage are negligible, and power tariff is high. Off-Grid Solar Power Plant with the battery backup to be installed in the areas where there is power shortage.

### **Distributed Renewable Energy Scheme**

<sup>18</sup> “Government to Launch New Scheme for Livelihood Applications of DRE”, Council on Energy, Environment and Water, May 2023, <https://www.ceew.in/press-releases/government-launch-new-scheme-livelihood-applications-distributed-renewable-energy>

<sup>19</sup> “Integrated and Sustainable Textile Policy 2023-28”, Department of Textiles, Government of Maharashtra, June 2023, <https://mahatextile.maharashtra.gov.in/en/policy-space/>





The Union Ministry of New and Renewable Energy (MNRE) released a draft policy framework February 14, 2022 for DRE livelihood applications, with the objective of bringing decentralised and distributed renewable energy supply in the country, particularly for rural populations with little or no access to power.

- DRE means generation and distribution of electricity from renewable energy sources, such as solar, wind, hydro, geothermal, and biomass through small-scale renewable energy systems that are located close to the energy consumers, as opposed to large centralized power plants that supply energy to a grid.
- They are typically designed to serve a single household or community, rather than a large urban or industrial center.
- A recent Council on Energy, Environment and Water (CEEW) study has shown that out of the 13,000 early adopters of clean tech livelihood appliances, more than 80% are women.
- The power minister announced in May 2023 that the government will come up with a scheme soon, but no follow-up information on it could be found.

### **Solar Charkha Mission**

The Solar Charkha Mission was an initiative launched by Ministry of Micro Small & Medium Enterprises (MSME) in June 2018.

- A pilot project on Solar Charkha was implemented at Khanwa village, Nawada District of Bihar in 2016. After that, the Government of India gave approval to set up 50 such clusters, with a budget of Rs. 550 crore, to generate direct employment nearly to one lakh persons in the approved clusters.
- The scheme talked of setting up of 'Solar Charkha Clusters' with 200 to 2042 beneficiaries including spinners, weavers, stitchers and other skilled artisans.
- It promised to give each spinner two charkhas of ten spindles each. "One cluster would involve a maximum subsidy of Rs. 9.60 crore provided in form of Capital subsidy for individual and Special Purpose Vehicle (SPV), interest subvention for working capital and capacity building".
- As of March 2020, a total of 10 Solar Charkha Clusters were established across seven states - one each in Chhattisgarh, Gujarat, Odisha, Rajasthan and two each in Karnataka, Maharashtra and Uttar Pradesh.



## 2. Circular Economy:

Circular economy as a constituent part of the move towards green economy is promoted by business and government, as well as the United Nations Environment Programme (UNEP). The Confederation of Indian Textile Industry (CITI) has put forward its position regarding circularity - “[it is] becoming increasingly important for the exporters in the sector because the retailers and buyers are now serious about reducing their carbon footprints. At the same time the speed of action will depend on the buyer’s push and requirements”<sup>20</sup>.

The Ministry of Textiles in 2019 launched Project SU.RE. – Sustainable Resolution, along with the private business sector, whereby 16 biggest apparel brands vowed to establish a sustainable pathway for the fashion industry. This will be done through environmental impact assessments and sustainable sourcing.

Highlighting their focus on the circularity, the textile and apparel industry has formed an industry-led platform called Circular Apparel Innovation Factory (CAIF) in 2018. “CAIF is an initiative that brings together a variety of stakeholders in the apparel industry in India to shift the industry from its current ‘take-make-dispose’ approach, to one that is more circular across the lifecycle”<sup>21</sup>. They mention their five key circular goals as: increasing the use of sustainable inputs and material; maximising the utilisation of clothing & textile; increasing the recycling of clothing; boosting production through renewable inputs, and minimising negative social impacts and increasing social responsibility.

Reports mention that CAIF will be looking to partner with 30-40 like-minded organisations including entrepreneurs, civil society organisations, think tanks, industry bodies and policy actors to “create an enabling environment to realise tangible impact goals for MSMEs, entrepreneurs, brands and retailers, in India, Bangladesh, East and west Africa, and South East Asia...as they are critical in the fashion industry’s global value chain and the global South accounts for a significant amount of manufacturing in the chain.”

## 3. Pollution and Waste Reduction:

According to a report by UN’s Partnership for Action on Green Economy (PAGE), effluent treatment is strictly mandated in the textile industry through the Ministry of Environment, Forest and Climate Change’s Zero Liquid Discharge (ZLD) policy. Large

<sup>20</sup> Arbind Gupta, “Textiles Industry gets ready to go Circular”, Business India, November 2022, <https://businessindia.co/magazine/textiles-industry-gets-ready-to-go-circular>

<sup>21</sup> Circular Apparel Innovation Factory, <https://www.circular-economyclub.com/organizations/circular-apparel-innovation-factory/>



textile clusters have set up wastewater treatment and recycling systems, with Tirupur cluster in Tamil Nadu credited to 100 per cent ZLD in 2012. The Government's Integrated Processing Development Scheme and Scheme for Integrated Textile Parks provide financial support to setup new and upgrade existing Common effluent Treatment plants. The Ministry of Skill Development and Entrepreneurship has developed training plans, courses, and assessments for skilling effluent treatment operators in the sector.

Some textile companies are also taking steps to eliminating hazardous chemicals and substituting it with greener chemicals, and recovering salts from wastewater.

Centre for Responsible Business (CRB) talks about working with alternate materials which are less water and energy intensive than cotton, which can be easily recycled and also durable. Examples include hemp, banana fibre, other sources of cellulose. Regarding waste reduction, CRB suggests that pre-consumption waste can either be reduced through technology adoption for larger units or through linking production units to upcyclers/ recyclers to prevent waste from going to landfills. Consumers need to also be educated and incentivised to recycle used garments.

## **The Case of Tirupur**

The example of knitwear cluster Tirupur in Tamil Nadu is highlighted by business, as one of a truly sustainable manufacturing hub. Tirupur has a concentration of knitting, dyeing, bleaching units and garment assemble factories, with thousands of small and medium sized manufacturing units, and hundreds of dyeing and bleaching units. It has an estimated size of 6 lakh to 8 lakh workers. The river Noyyal was immensely polluted due to the discharge of effluents into the waters, with farmers and locals suffering heavy losses to their crops, health and well-being, and pollution impacting the soil, water and ecosystem of the region. The Madras High Court in a ruling enforced closing of units that did not follow ZLD. About 400 of the companies set up effluent treatment plants with the government's provision of loans for the same. From being one of the most polluting textile hubs in India, it is now known to be a ZLD cluster. Water used by its dyeing and processing units is treated at Common Effluent Treatment Plants (CETP) and reused. There are 18 CETP catering to 300 dyeing units and 60 units with their own individual effluent treatment plants. Moreover, Tirupur units have installed solar power plants and wind energy generators, fulfilling a major part of their energy needs. Rainwater harvesting is also being followed widely, making many factories self-sufficient in water usage. However, reports suggest that while pollutant levels had reduced compared to 2005, the river is still highly contaminated especially when compared to other rivers in the region. A report by Centre for Science and En-



vironment<sup>22</sup> had found that “levels of COD, chlorides, sulphates, sulphides and TDS are high in areas where dyeing units are concentrated” creating soil infertility.

Manufactures have said that this has hampered their business severely by pushing the costs by 15 per cent, whereby they lost the competitive edge to Bangladesh, Vietnam and China. The ZLD efforts are not acknowledged or rewarded by the buyers in any way. Moreover, in contrast to its claims of becoming energy-sustainable, Tirupur has been continuously reporting cases of workers’ suicides, some estimates say 20 deaths per year, owing to harsh working conditions including high levels of overtime work, long shifts, exacting living conditions, less than minimum wages, forced labour and cases of sexual harassment faced by adolescent migrant girls working in the factories.

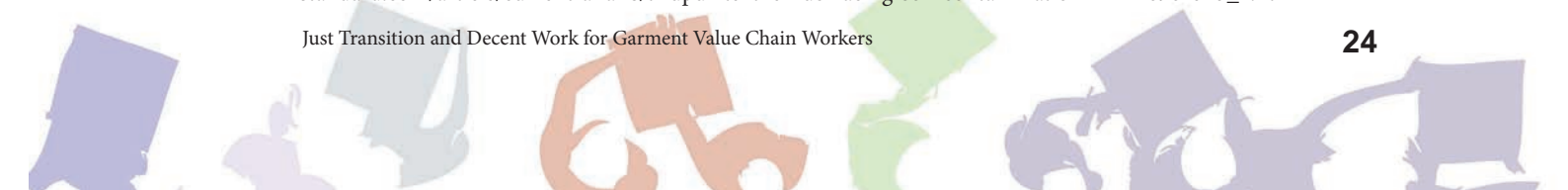
#### 4. Green Jobs

According to the ILO (2016), green jobs are “decent jobs that contribute to preserve or restore the environment, be they in traditional sectors such as manufacturing and construction, or in new, emerging green sectors such as renewable energy and energy efficiency.”

A UN’s Partnership for Action on Green Economy Report “Assessment of India’s Green Jobs and Just Transition Policy Readiness”, 2023 states that discussion on green jobs in India began in 2009, when the Ministry of Labour and Employment established the ‘Multi-stakeholder Task Force on Green Jobs and Climate Change’ but the “activities of this task force are unclear, and there is not yet a detailed definition of green jobs in policy documents of ministries”. The only available definition is by the Skills Council for Green Jobs (SCGJ) established in 2015, which states, “Green jobs are decent jobs that contribute to preserve or restore the environment, be they in traditional sectors such as manufacturing and construction, or in new, emerging green sectors such as renewable energy and energy efficiency”. The report states that the government’s general understanding of green jobs is “largely limited to jobs that are related to the environment, but the decent work aspect is not well known”. Centre for Responsible Business has recommended the government to impart and invest in higher-order skills, and to consult the industry about the kind of training required. Circular economy transition would need workers trained in repair, refurbishment, re-design, etc. However, so far, there has been no discussion on this aspect, either by the industry, or the policy makers.

Skill Council for Green Jobs has no specific policy yet for textile and garment related

<sup>22</sup> “Tirupur textile hub facing soil contamination”, Business Standard, December 2019, [https://www.business-standard.com/article/current-affairs/tirupur-textile-hub-facing-soil-contamination-114120901345\\_1.html](https://www.business-standard.com/article/current-affairs/tirupur-textile-hub-facing-soil-contamination-114120901345_1.html)





skilling for green jobs. The focus so far is on energy and transport. Ministry of Skill development has training plans and assessment for skilling effluent treatment workers that could be used in textile. However, reports suggest that placements post-skilling schemes are quite low, and 30% workers receive less than Rs.10,000/- wages which are insufficient to ensure decent work<sup>23</sup>.

## Problems with the Proposals

An ILO report from 2023 on India's readiness for green jobs and Just Transition stated that the readiness status is uneven. "There is no widely held definition of green jobs or of a just transition, nor are there guidelines on assessing the employment impacts of greening at the national, sectoral and regional levels, beyond some examples of think-tanks estimating renewable energy jobs. Some individual sectoral policies are in place – yet there is no coherence or linkages between these policies and the macroeconomic greening ambitions"<sup>24</sup>. Further, it is pointed out that the aspect of decent work is missing from most of these proposals.

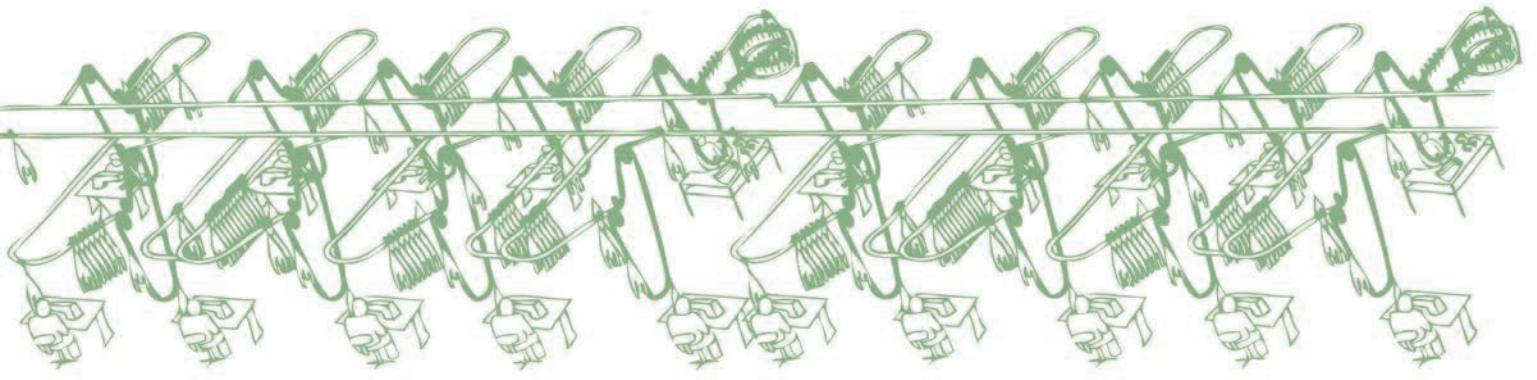
Following are some of the features of the various proposals on green transition reviewed so far in this study report:

- They do not question the dominant framework of buyer-driven garment value chains
- There is no mention of changes to be made in the buying practices of big brands
- Circular Economy discourse talk does not question the fast fashion-based consumption & production paradigm
- There is a clear exclusion of workers' voices, demands & needs, and not much discussion on impact on workers, questions of occupational health and other elements of decent work.
- There is no assessment of how change in inputs, materials, processes will impact current workers across the production chain, including job-loss, requirements of new-skills and programmes for re-skilling of the existing workforce.

<sup>23</sup> <https://energy.economictimes.indiatimes.com/news/renewable/aligning-skilling-initiatives-with-just-transition-goals/103137501>

<sup>24</sup> Partnership for Action on Green Economy, "Assessment of India's Green Jobs and Just Transition Policy Readiness", ILO, 2023, <https://www.un-page.org/knowledge-hub/assessment-of-indias-green-jobs-and-just-transition-readiness/>





## Chapter Three

# Labour and Just Transition

In this chapter, we will look at the concept of just transition from the point of view of workers. Based on the interviews conducted for the research with garment workers as well as domain experts from trade unions, workers organisations, researchers and economists, we will attempt to lay out a perspective and a critique of the prevalent discourse on green economy/transition. In what way workers' experiences and insights can inform us to broaden our understanding of green transition, for it to become more inclusive, democratic and just? What are the gaps and lacunae in the prevalent understanding? How do trade unions view the question of green transition?

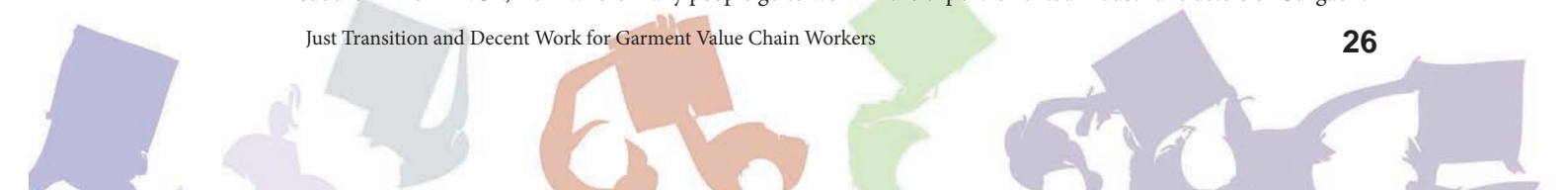
In the following sections, the experiences of the garment workers working in the lower tiers of the export-oriented garment value chain in Delhi NCR will be shared. The workers interviewed are mostly migrant workers, largely from the states of Uttar Pradesh, Bihar and Jharkhand, who moved to the National Capital Region to find employment in the garment industry. They spell out the harsh working and living conditions as garment workers. We have especially focussed on the aspects of occupational safety and health conditions, and overall concerns related to health at work and outside. Suggestions given by workers regarding concrete measures they need at workplace to ensure their basic health and safety have also been included.

Next, based on interviews with experts, we try to highlight the reservations and criticisms of trade union representatives, labour economists, and environmental activist-regarding the vision of transition put forward by the business interests, multilateral organisations and government authorities. The ideas, critique and suggestions given by them enable to put together a broad vision for a just and worker inclusive transition.

## Workers' Experiences in the Garment Work

Workers in garments manufacturing units in Delhi-NCR<sup>25</sup> shared the different oc-

<sup>25</sup> Interviews with workers conducted by CEC, between September to November 2023, in Kapashera industrial suburb in Delhi-NCR, from where many people go to work in the export-oriented industrial clusters of Gurgaon.



cupational health issues that they face in the course of their work and life, in the interviews conducted for this research. Names of all workers mentioned here have been changed to maintain confidentiality and safety. Raju Kumar, a migrant worker from Uttar Pradesh who works as record keeper in the finishing department of a garments manufacturing unit, said, “besides the heat and pollution generated from running the machines on the stitching floor, so much of fabric dust is created that often the worker’s hair, face and clothing are completely covered with it by the end of the day”. They are constantly exposed to this harmful dust, consisting of frayed yarns and microfibres from the fabric that is chemically treated or dyed, inhaling which causes them respiratory diseases and eye issues. Some workers mentioned factories providing exhaust fans on the production floors. However, no workers reported being provided with any safety gears like masks, eye glasses or overalls to protect them from exposure.

Ramesh, working in a stitching unit of a garments manufacturing unit located in Udyog Vihar, Gurgaon, expressed concern that the fabric dust that the workers are exposed to continuously damages their respiratory organs and cause wheezing, asthma, bronchitis, TB, other breathing disorders and even cancer. “The employer is least concerned about these issues”, he says. No equipment is provided to the workers to help avoid such harmful exposure. “Earlier, they used to give us some natural remedies to help avoid this harmful impact. We used to be given jaggery which is considered to be a lung cleanser that can remove carbon particles that might be trapped in the lungs. However, the company has stopped providing us even that”. Ramesh mentioned that he has come across fellow workers with breathing disorders caused by workplace pollution, however none of them have received any medical benefits from the employer. He himself has suffered from TB in previous years, after having worked for several years in this sector. “I had no choice but to continue work”. Workers employed in factories reported being enrolled for the ESI (Employee’s State Insurance) which provides medical and health related entitlements to workers and their families on the basis of contributions from employer and worker, while workers working in small workshops do not report receiving this benefit. However, the facilities under ESI are not sufficient, as there is only one ESI hospital to cater to workers needs for the three industrial areas nearby in Delhi-NCR. The available facilities are also reported to be functioning beyond their capacity and over-crowded. A whole day needs to be spent to get to the hospital and wait for their turn for consultation and treatment. But the workers are not in a position to spare this much time for consultation or follow up visits. This is because almost all the workers get only an average of one and half days of leave per month. In case of medical needs, workers are forced to visit private clinics in their localities which can cost anywhere between Rs. 500-1000 which is unaffordable for them.



In addition to the respiratory issues, workers complain of consistent back pain, knee pain, swelling in feet, weak eyesight, which can be caused by long hours of sitting and standing work, as well as congested conditions of living which their low wages force them to live in. Some workers mentioned being referred to neurological departments showing far reaching impact of the nature of garment and factory work on the worker's physical and mental health.

Several workers mentioned that while there is no medical facility for workers at the factory premises, arrangements are made during the buyers' visit to the factory to show the provision of facility. Mohammad Jamshed who works in a leather jacket factory shared, "the factory is cleaned up when the buyer is about to visit. They will place several things in the premises like first aid, medicines, water. As soon as the buyer leaves, everything is removed."

The factory managers sometimes exercise extreme measures to force workers by shutting the main gates of the factory or the washrooms, to make the workers stay and finish work when they need to meet the demands of excessive or delayed production. Highlighting the specific problems that women workers face in the factories at the hand of the supervisors or contractors, Kavita, a female worker from the garment export line, said, "when the orders are high, they restrict even our toilet breaks. They ask us 'why do you need to drink so much water? Why do you need to go to the toilet so often?' You can imagine how that affects our physical and mental health. We are also verbally abused and shouted at. There is no respect for women workers. It makes us want to quit this work". Other workers also confirmed that the factory management uses overt and covert forms of harassment by threatening the workers of job loss, or verbal abuse and humiliation in front of the co-workers.

In a group discussion for this research, some workers highlighted incidents that displayed the apathy towards lives and health of workers. "A female worker lost consciousness during a night shift on the production floor. But there was no medical assistance available. The supervisor was informed on the phone, and instead of providing immediate help, he told her to lie down and leave in the morning after her shift ended". Another incident was reported where a worker fainted while working in the sewing machine, and instead of being taken to a hospital, he was sent home, where he passed away due to cardiac arrest. Timely medical attention by the management could have saved his life, and also entitled the family to benefits from the company.

These are serious occupational health hazards for the garment workers, for which no rights and entitlements are provided by the companies, brands or government. The available public healthcare facilities under Employees' State Insurance Corporation are not sufficient, and most workers are not even registered by the employees for





this benefit. Almost all workers spoken to mentioned having only one and half days of leave per month. There are no provisions for sick leaves, and it meant a cut from their pay. The bonus received also was deducted based on leave.

Labour academic Alessandra Mezzadri who has worked extensively on the garment sector labour regime in India calls this as the 'low-intensity epidemics depleting workers' health on a daily basis, due to their incorporation into the sweatshop regime'<sup>26</sup> Mezzadri writes that "the work is physically depleting; and one of the health issues workers complain about the most is exhaustion".

To tackle the serious issues of occupational health in the garment sector, a more holistic focus on workers' health is required which can address not just infrastructural issues at workplace but also the harsh living conditions of workers which emerge directly from the work relations they are part of. This must include a focus on living wage, designing health provisions that reach all informal workers, and opening health facilities in areas where women work in home-based units for garment factories.

Below are some of the imperative measures related to occupational health that the workers interviewed put forward -

1. A medical practitioner should be available at the workplace or a visit of a medical practitioner should be arranged every week.
2. Women workers strongly demanded for creche or day care centres for their children, for both regular factory workers as well as daily wage workers. The facility provided by the company usually is non-functional and is utilised only when the buyers or auditors visit.
3. Workers should be entitled to more paid leave on medical grounds, currently only one and a half days of paid leave is allowed and salary is deducted for being absent on medical grounds.
4. A full health check-up facility/camps should be organized at regular intervals.
5. Cleanliness of the washrooms must be maintained.
6. Complete safety gears like masks, eye glasses, shoes, overalls should be provided for protection from the hazardous materials, dust and pollution.
7. Provisions of a regular health check-up should also be made available for the

<sup>26</sup> Mihika Chatterjee, "Fighting the Sweatshop Regime: A Conversation with Alessandra Mezzadri", *Jamhooor*, Issue 8, (July 2023), <https://www.jamhooor.org/read/fighting-the-sweatshop-regime-a-conversation-with-alessandra-mezzadri>



daily wage workers.

8. Considering the high levels of heat generated in the manufacturing units which are mostly seen to be congested and overcrowded, it is imperative to provide sufficient ventilation for air and light to come in. Without this, the workers will continue to bear the brunt of rising temperatures and humidity in India due to climate change.

### Expert Views on Just Transition for the Garment Industry

The main problem with the current discourse on Just Transition is the dominance of the status quo approach, that doesn't allow workers' voices, needs and concerns to be adequately addressed. Even though the concept was brought to the fore by trade unions in early 1990s, the macro-level policy shifts and conversations on the same have tended to leave out workers and workers' organisations. Workers, especially informal and precarious workers across the world, are facing the brunt of the climate-change, including extreme weather events, working in conditions of extreme heat and wet bulb temperature, smog and water pollution, while ironically having the lowest carbon footprints.

Because of the exclusionary nature of the dominant *status quo approach*, a scepticism is seen among trade unions and workers organisations regarding the discourse on Just Transition. "We are talking about Just Transition in an unequal world with discriminations based on gender, caste, class, race etc. Unfortunately, these inequalities & injustices aren't being adequately recognised in the conversations about just transition", said Sonia George, vice president of Self-Employed Women's Association<sup>27</sup>. Similarly, trade unionist Gautam Mody holds that the most important part of Just Transition is justice in human society, an equitable society, standing in opposite to profit system. "Where is the human in the current discourse? Unions are willing to be a part of this but where is the space for us?"<sup>28</sup>

Trade Unions stress over the fact that a Just Transition must mean that no worker is left behind in the process of the green transition, owing to digitisation or zero-carbon imperative. The specific characteristics and conditions of each sector and industry will have to be understood on its own to enable an effective transition which is not just rhetorical. For example, addressing rampant sexual harassment must be part of the Just Transition agenda in the garment sector of Delhi-NCR, as the sector is infamous for high instances of gender discrimination and sexual harassment.

<sup>27</sup> Sonia George, National Vice President, Self Employed Women's Association (SEWA), India. Inputs were shared by her during CEC's Labour Dialogue on 'Women Workers and Just Transition', organised in August 2023, <sup>28</sup> Interview with Gautam Mody conducted by CEC in June 2023. Gautam Mody is the General Secretary of the New Trade Union Initiative (NTUI).



## Scepticism about the ‘Just’ in the Transition:

Achieving net zero in garment and textile sector will require a massive overhaul of the entire global value chain structure. The question raised by trade unions and civil society representatives is - who will pay for this transition? Professor Dev Nathan says “a Just Transition means that the cost of this transition to net-zero production should be borne by the governments and companies of Global North, atleast in proportion to their consumption of these exported garments”<sup>29</sup>. Gautam Mody also holds that the countries which caused more damage to the environment should be liable to finance that transition, while the rest of the countries also pay their due part. “The need to recognize the inequality between and within countries is important in any effort at a Just Transition. A global transfer of resources from the rich to the poor is needed. Without such a concept of justice, it is not a transition at all”, Mody holds.

The question of ownership and access to resources was raised by Sonia George. “We work with workers who have no meaningful control over the spaces where they work, or the conditions of work they are involved in every day. Workers in the informal sector and traditional economies like forest workers, potters, handloom workers, do not even have right over the resources that they work on”, she shared. Mody says that the important component of Just Transition is *justice in and for human society*. Therefore, Just Transition must also mean protecting and promoting more employment, higher wages and better quality of lives for workers. “It is not simply about replacing a thermal power plant with a solar one. Democracy is also a part of justice”, he says. He adds – “as such, a violation or denial of freedom of association is not compatible with justice. A right of workers to form and join unions should also be at the core of Just Transition, and this is something that the ILO can be mindful about promoting in their negotiations with governments and businesses.”

Mody also cautioned that a summary restriction on import of garments (to countries of Global North) produced under non-decent labour conditions would only make the situation worse for labour in Global South. It might end up creating massive job losses, in hundreds of millions. This is where the question of reparation comes in, according to Mody. “Mitigation Funds are going to be needed in the short and medium term for environmental damage redressal and also for putting resources into social protection and social security for those who will be directly affected by the transition”, he added.

The trade union leaders also expressed scepticism regarding the talk of re-skilling. Most of the experts interviewed for this research asserted that up-skilling and re-

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<sup>29</sup> Interview with Dev Nathan conducted by CEC in June 2023. Professor Dev Nathan is currently Visting Professor at Institute for Human Development, Delhi, and Visiting Scholar at The New School for Social Research, New York. He has written extensively on Global Value Chains and labour.



skilling has its limits, particularly in context of a country like India. For example, the skill levels of rural garment workers in India and Bangladesh will be very different from the other sections. These skill levels are based on lifetime experiences of workers. Investments in those sections of workers will not be as forthcoming from the companies, to the extent required. Secondly, talk of skilling usually takes into account only younger workers. What will happen to workers over a certain age who have been working in the sector, such as those who are above 45 years of age? These sections will be more vulnerable to being displaced and made redundant.

Apoorva Kaiwar, from Industri All Global Union, South Asia shared<sup>30</sup> that women workers are likely to get more affected in the transition plans in textile and garment sectors, as they are employed in bigger numbers in low-valued segments of garment work, as compared to other industries such as automobile and engineering. Any mechanisation in industries has led to less women being employed there, because of the already restricted access that women have to technology and employable skills. Women are also seen to lose more jobs than men during periods of crisis, such as during the Covid pandemic. Further, most sections of workers are likely to lose in a scenario of mechanisation. She adds, “reports mention that less than half of the employers are interested in transitioning current employees to newer jobs. They would rather employ someone new than to retrain or up-skill existing employees to take on the new jobs. This is where the trade unions need to step-in to ensure there is re-skilling and up-skilling of the existing workers to take on the new jobs”.

At the same time, Dev Nathan expressed the opinion that the prospects of significant job loss in garment sector at the moment is not very much, at least for the next 5 years, because the costs of automation and mechanisation in this sector are too high for manufacturers to make that investment. Apoorva Kaiwar also seconded this argument. She says that garment being an industry where the profit margins for manufacturers are less, there is much less chance of greening efforts taking the shape of mechanisation. The very reason for manufacturers to shift production to the Global South has been the availability of cheap manual labour, and as such, new technology has not yet been introduced in several aspects of production such as sewing operations.

The risk of vulnerable sections being left out of green transition is another problem raised by the experts. Kundan Pandey<sup>31</sup>, environmental journalist, states that in India those who are marginalised will be further pushed out in an uneven green transition.

30 Apoorva Kaiwar is Regional Secretary, of IndustriAll Global Union, South Asia. Inputs were shared by her during CEC’s Labour Dialogue in August 2023 on ‘Women Workers and Just Transition’

31 Interview with Kundan Pandey conducted by CEC in July 2023. Kundan Pandey is a journalist who has written extensively about energy transition, environment, agriculture, land rights, tribes and natural resources. He has worked for several media outlets like Down To Earth, The Times of India and The Pioneer.



The experience of coal sector shows that there are many people who depend on the sector, who are not recognised or accounted for, as they work within the domain of the informal. For example, several people do coal picking of leftover pieces of coal in mining areas in Jharkhand and make a livelihood by selling them in local markets next to the mines. Such livelihoods might be easily left out of a transition policy that takes only a macro and technical view of any sector in question. Such as possibility also holds true for a sector like garments, with its myriad networks of informalised work and labour. Janhavi Dave, from HomeNet International,<sup>32</sup> highlights that home-based workers in developing countries are the hidden part of the global supply chain in garment industry. For them and other lower-tier workers, the first need is to be recognised as workers within the supply chain, so that they can be given social protection and other rights. Dev Nathan highlights two essential aspects of a truly Just Transition. First, a transition towards inclusivity, which means a living wage and decent working conditions. Secondly, the transition must have the aspect of sustainability which can be ensured if the cost of net-zero production is borne by countries in proportion to their garment consumptions. This essentially means the countries of the Global North must take the lion's share of the responsibility, as the largest consumers of garment products.

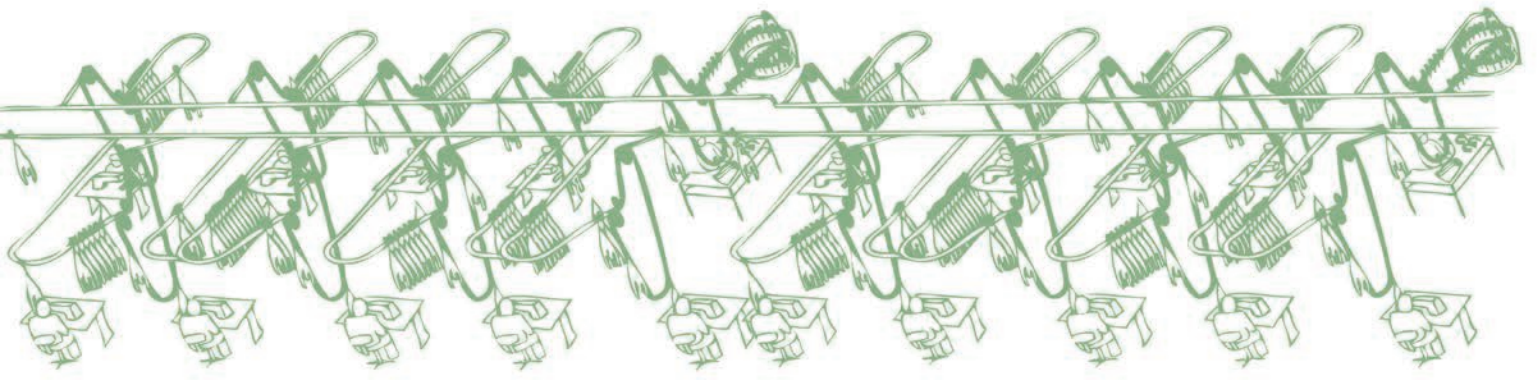
Prof. Nathan points out that in India, the wages are kept as low as possible, contractual labour is virtually legalised and retrenchment of workers are being made easier, in order to attract investment. The recent changes in existing labour laws will further concretise these anti-worker conditions. Instead, the requirement is to reduce contract labour and increase permanent workers through law, so that skilling can be a continuous and sustainable process too. This can benefit the industry too in the long run as the skills will be built and transferred in continuity. This entails a new vision of a garment sector, that leverages the high skills of the workers, and adds value based on such labour inputs.

R.D. Chandra Sekhar<sup>33</sup>, from the INTUC recommends strongly that a cess is needed to be levied on garment brands using cotton, in the way that the Building and Other Construction Workers Boards (BOCW) impose a levy on the employers in construction work. He suggested that 1 % of garment's cost should go to welfare of the cotton workers, who are the lowest end of the garment chain. This is also a measure to ensure that brands and employers fulfil their responsibility of providing social protection for workers.

<sup>32</sup> Interview With Janhavi Dave conducted by CEC in July 2023. Janhavi Dave is the International Coordinator of HomeNet International, a global network of 36 home-based worker organizations in 20 countries, representing over 600,000 workers.

<sup>33</sup> Interview with R.D. Chandra Sekhar conducted by CEC in July 2023. R.D. Chandra Sekhar is National Secretary of Indian National Trade Union Congress (INTUC) and associated with Young Workers Council. He has been working on cotton farmers and workers and often speaks on climate issues in various platforms including the ILO.





## Chapter Four

# Regulating the Garment Sector

In the previous chapters, we discussed about the nature of the garment value chain and the garment sector in India, the gross human and labour rights violations in the garment sector, its adverse environmental impact, the status-quoist nature of the most approaches to Just Transition, the attempt to envision green transition in the form of top-heavy schemes with no workers participation or voice share, and the views of the experts regarding the problems in the garment value chains.

We have also discussed briefly the desirability to move towards ecological sustainability, green technologies, promotion of decent work, especially addressal of the occupational health and hazards.

The question now is – how do we move from here to there? We have already discussed that for complete elimination of the ills of the garment sector, a transformative approach towards Just Transition would be required, which would entail nothing less than the complete restructuring of the way that the garment value chains operate today. At the same time, however, we also need a step-by-step pathway towards such a desirable future, that must be feasible in the current day balance of forces. In this context, the series of due diligence and sustainability related legislations that have been passed recently (or are in the process of being passed) in Europe and elsewhere, can come handy.

This chapter will provide some brief introductions to some of these legislations. It will also try to capture the efforts of garment supplies, especially their corporate bodies to address the emerging challenges, and their dilemmas. The chapter argues that these legislations provide us with an opportunity to pursue goals of Just Transition in the garment sector, that can address the problems of the sector to a significant degree – both ecological, labour related, and business models.

### Do businesses want to Invest in Green Transition?

According to Abhishek Yugal, Director, 'Manufacturing Excellence', an apparel sourc-



ing and consultancy business based in Gurgaon, India is lagging behind in terms of green and sustainable businesses (Interview, Abhishek Yugal)<sup>34</sup>. He further says - “sustainable business is the only way ahead. But Indian factories are not thinking ahead, here it is looked as a waste of money. Bangladesh has 200 Green certified factories, globally the highest. This is one reason they are way ahead of India in garment manufacturing.” Similarly, Indian factories are lagging behind in ESG as well (Environmental and Social Governance) which will start affecting the business here as the buyers will soon start asking ESG scores.

This view appears to be corroborated by a study conducted in 2019 on ‘Awareness of Green Manufacturing in Apparel Industry’<sup>35</sup>, based on 81 factories having more than 400 sewing machines, in Delhi/NCR. The study states that “environmental consciousness and sustainability are not in the priority of Apparel manufacturers in Delhi/NCR. Most respondents are not aware of their role as a manufacturer in global warming, and so do not feel the need of green manufacturing in apparel industry. They also think that green manufacturing is not cost effective, and they may lose their financial competitiveness because of green manufacturing.” The study points out that Indian garment industry is run by entrepreneurs who operate on order-to-order basis, and therefore cost and profit turn out to be the primary objective. There is very little awareness among the respondents about possibilities of using green manufacturing in apparel industry with their existing setup. It is not seen as cost effective to invest in green manufacturing setup as it will not give them much returns. They also think that garment industry is very complicated to implement green manufacturing.

Yugal points out that investment in green manufacturing can be recovered by the businesses, and moreover, it will give them an edge and will ensure that they are the preferred supplier for the buyers. He states that the government has to bring concrete policies, and invest in creating a centralised infrastructure which will give an incentive to businesses to switch to green manufacturing. “So far, the reactions to pollution has been knee-jerk and unplanned. A target-based planning needs to be brought about, for example to create a ESG score card. Businesses also need to understand that the investments required in immediate time will yield long term gains such as reduction in power bills if there is a switch to renewable energy sources. Ultimately, this switch is crucial as it is tied to the very survival of businesses in the long run”, he said.

## The Changing Environment

Of late, some signals have appeared regarding the gradual change in the attitude of

34 Interview with Abhishek Yugal conducted by CEC in December 2023. Abhishek Yugal is Director, Manufacturing Excellence, based in Gurgaon, Haryana.

35 Ankur Saxena and Ajit Kumar Khare, “Awareness of Green Manufacturing in Apparel Industry”, in Majumdar et al, eds., *Functional Textiles and Clothing*, June 2019, 371-382



the Indian garment suppliers. The reasons are also not difficult to understand.

Somewhere in 2023, under the auspices of the Apparel Export Promotion Council (AEPC), four big garment export houses of India (Epic Group, Norlanka, Shahi Exports & Simple Approach) came together, and commissioned a hand-book – “*An Apparel Supplier’s Guide: Key Sustainability Legislation in the EU, US, and UK*”. It was a significant move, as rarely do suppliers come together to address their challenges collectively.

What are the challenges?

The introduction of the Guide mentions that –

“Legislators in the Global North are making significant moves to enact sustainability-related legislation. While these laws originate from places such as the EU, United Kingdom, and the United States, they will impact companies operating outside of these jurisdictions. This document is intended to enable suppliers in the apparel value chain - and others who are seeking to better understand upcoming legislation - that are established or headquartered outside of the Global North, or whose operations are based outside these jurisdictions, to better understand how sustainability-related legislation in the Global North will impact them”<sup>36</sup>.

This admission is significant, as it shows the growing awareness among the garment entrepreneurs of the upcoming challenges of such legislations, and thus are trying to prepare the sector for it.

The Guide covers the following legislations, and some more -

1. EU Corporate Sustainability Due Diligence Directive- It creates an obligation on companies globally (that meet the stated thresholds) to conduct human rights and environmental due diligence, and make available a complaints procedure.
2. EU Corporate Sustainability Reporting Directive- It requires companies globally (that meet the stated thresholds) to report on social and environmental sustainability information in accordance with European reporting standards.
3. New York Fashion Act- It creates obligations on fashion sellers doing business in New York to conduct environmental and human rights due diligence, set and comply with greenhouse gas emission targets, and produce a publicly available due diligence report.
4. EU Forced Labour Regulation & Guide - It implements a ban on products

36. An Apparel Suppliers Guide - Key Sustainability Legislation in the EU, US, and UK., 2023





made with forced labour from being sold in the EU or exported from the EU

5. EU Ecodesign for Sustainable Products Regulation - It establishes a framework to set eco-design requirements for specific product groups to improve their circularity, energy performance and other environmental sustainability aspects. Companies in-scope will also need to provide a digital product passport that shares information about the product's environmental sustainability. Manufacturers, importers, distributors, dealers, fulfillment services providers will be required to comply.
6. EU Packaging & Packaging Waste Directive & Proposal - The Directive sets requirements and targets for EU countries on the recovery and recycling of packaging waste. There is also a proposed regulation that is intended to widen the scope of the Directive and create direct obligations on companies to prevent excessive packaging waste and minimize the environmental impact of packaging.
7. EU Product Environment Footprint Guide - A non-binding framework that establishes the steps and rules to make an appropriate and comparable product life cycle assessment.

The Guide then move into the details of each of these legislations, the potential impact of the legislations, and how the businesses will have to remain prepared for the same.

One important legislation not covered by the Guide is the German Supply Chain Due Diligence Act. But it is very similar to the EU Corporate Sustainability Due Diligence Directive, and with the passage of the latter in December 2023, it is expected that adjustments will be made to the former, especially with regard to the thresholds.

Many of these legislations have provisions for establishing risk management analysis, appointment of due diligence officers, establishing grievance addressal procedures, and systems to promote sustainability and human rights. Each of these legislations have also been criticised for their gaps, such as the failure to ensure buyers/brands accountability, lack of adequate space for union participation, non-recognition of living wages and collective bargaining as constituent elements of decent work and sustainability etc. What is crucial however, is that such legislations are on the rise, and are expected to demand and more transparency and accountability from the suppliers. The Guide itself warns the garment suppliers to be more vigilant, follow them properly, and that “due diligence actions undertaken are genuinely effective and responsive to the risks identified, and do not only exist on paper!<sup>37</sup> ”

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37 Ibid. 38



The guide further advises that – “it is important to engage with brands and retailers before they finalize their methodologies for implementation as there is a serious risk of multiple interpretations. Aligning with OECD Due Diligence Guidelines and the UN Guiding Principles may minimize this risk to a certain extent”. Further – “be sure to engage your legal teams, HR teams, Sourcing Teams, and other operational functions. Compliance should not be left to sustainability or ESG teams alone”. The Guide also laments that “the often vague and imprecise language used to refer to suppliers in many of the legislative initiatives covered in this document is indicative of a larger gap between policymakers in the Global North and the entities outside of those jurisdictions, who are likely to bear significant and often invisible burdens as a result.”

The complaint of the suppliers regarding their exclusion from the legislation making processes in the Global North is certainly important and deserves attention. What is however also true is the reluctance of the suppliers themselves to allow a voice-share to their own workforce.

The Guide explicitly mentions that – “while most brands or retailers currently already require their suppliers to comply with their codes of conduct, we would expect that the standards in the codes of conduct will become increasingly stringent, e.g., suppliers will be required to undertake their own due diligence on their business partners. Similarly, brands or retailers may adapt existing auditing processes to better verify compliance e.g., there could be a higher frequency of unannounced audits for suppliers that are deemed to be high-risk.”

The Guide further mentions - “we would also expect buyers to request information from suppliers to conduct human rights and environmental risk assessments, and to verify compliance with buyer’s codes of conduct. This may include providing data such as demographic information of workers, wages, working hours, and information to support raw materials tracing (e.g., country of origin of materials) and supply chain mapping (e.g., identity and location of sub-suppliers and sub-contractors). Based on the individual brand or retailer, it is possible that data provided will need to cover service providers (e.g., janitorial, catering or security services provided at facilities), and extend upstream to the source of materials (including e.g., ginners or farmers). Buyers may also request suppliers to provide declarations to confirm the accuracy of the information provided.”

Elsewhere in this report, we had mentioned about growing conversations about sustainability in the garment sector, among the suppliers, and their associations, such as the AEPC. The monthly magazine of AEPC also regularly (and increasingly) publishes features on sustainable garment production, establishing grievance addressal procedures and (to some measure) promotion of decent work. We had also mentioned



that the Confederation of Indian Textile Industry (CITI) has put forward its position regarding circularity – that it is becoming increasingly important for the exporters in the sector because the retailers and buyers are now serious about reducing their carbon footprints. These growing conversations are intimately linked with the emerging series of legislations from Global North that we just mentioned in the preceding paragraphs.

According to the Centre for Responsible Business (CRB), Indian industry is in need for urgent transformation because of India's weakening position globally<sup>38</sup>. This comes due to lack of product diversification, stagnation of exports and over reliance on domestic consumptions. Indian Textile and Apparel industry is considered highly fragmented. It mostly comprises of small-scale non-integrated spinning, weaving and knitting, fabric finishing, and apparel making enterprises. The dominance of MSME players is a key feature. This is in contrast with the sector's nature in developed economies in North America and Western Europe where it is comprised of large-scale mills that integrate all the processes. Another factor affecting India's competitiveness is pointed out by CRB to be the three factors of production, land, labour and capital being costlier in India as compared to other economies Bangladesh, Vietnam and Philippines<sup>39</sup>. CRB argues that the changes in laws related to labour and land acquisition which would enable "ease of doing business" is very slow, which hampers India's international competitiveness in the sector.

This is in contrast to the position held by labour groups in the country who point out to worsening labour conditions, which will be exacerbated by the labour law reforms. Writing from a trade unionist perspective, Rohini Hensman argues that - "cheaper or more flexible labour is only one of the considerations that affect the choice of location for capitalist production. Proximity to markets, productivity, infrastructure, and the availability of a suitably qualified workforce could be equally or more important. It seems reasonable to hypothesize that if productivity, infrastructure, and workforce quality are satisfactory, and transport costs are negligible or are more than offset by the lower costs of production, employers will choose a labour market with lower costs and greater flexibility."<sup>40</sup>

The contrast between the views of CRB and Hensman goes to the very heart of the current day troubles of the Indian garment sector. It is often not recognised that the highly fragmented nature of the workplace and the workforce, dominance of the so-called MSMEs, poor systems of corporate governance, lack of transparency etc. contributes to the failure of the sector in leveraging the latest technological know-how and production processes through deployment of a skilled workforce. This makes the

38 Devyani Hari and Ramanuj Mitra, "Circular Textile and Apparel in India: Policy Intervention, Priorities and Ideas", Centre for Responsible Business, April 2022

39 Ibid.

40 Rohini Hensman., Workers, Unions, and Global Capitalism: Lessons from India, Tulika, Delhi, 2011, 279

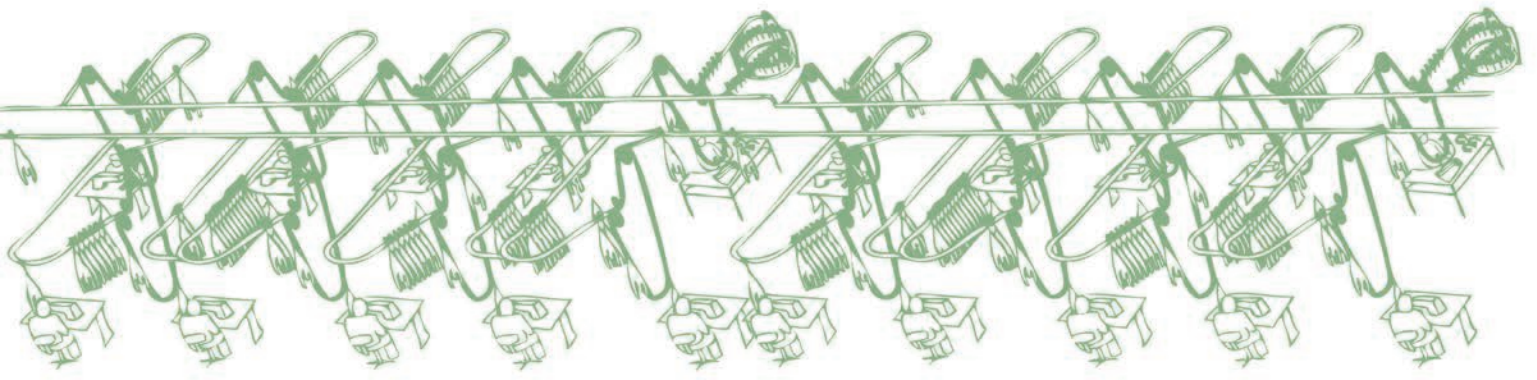


sector static, it fails to diversify products, harms the environment, and find itself gross human rights violations of the workforce. With the increasing awareness among consumers in Europe and elsewhere about sustainability, environmental harms, and human rights violations that the sector is responsible for, there is a danger of the sector finding itself in very difficult terrains, including closing down of the markets for Indian garments in the rich countries of Global North. In this context, if the promulgation of the series of due diligence and sustainability related legislations is not followed by change-of-gear by the garment sector, it will lose out the majority of its markets. Neither for the workers, nor the employers of the garment sector of India, exclusion from the markets of the Global North would be desirable.

At the same time, such current challenges also open up new possibilities of improving corporate governance, transparency, labour standards, and ecologically sustainable practices in the sector. Trade unions, civil society organisations environmental activists must try to leverage these legislations in the short and medium term, even while remaining conscious of their limits, and remaining committed to the long term transformative approach to Just Transition.







## Chapter Five

# Towards a Just Transition in the Garment Sector

We have so far discussed about the short and medium term strategies towards Just Transition. In this chapter, we will try to put together the different elements of a desirable vision for Just Transition, that must anchor our strategies, even while achieving some of these objective may not be possible in the immediate level.

From the perspective of garment sector workers, a Just Transition in the sector will have to entail improvement from their current living and working conditions. A desirable form of Just Transition for the garment sector must have the following elements -

### 1. Living Wages and Decent Work

Living wage and not minimum wage should be the criteria for workers' remuneration. While this is a demand irrespective of the current climate-change imperative, its importance in the discourse related to the green transition needs to be highlighted. Living wages must be paid for by the buyers and brands, and it should be included in the cost of manufacturing itself. Given the structure of the garment GVC, the buyers and lead firms corner the bulk of surplus, almost a monopsony rent. Sharing a part of that profit with the workers in its supply chain in the form of higher wages will have to a point of campaign.

Right now, the labour cost is calculated at minimum wages, which is only about 40% of the living wage in India. As is known, a bulk of workers in India do not even get paid the legally stipulated minimum wages, and survive on below-subsistence levels. Living wages must be seen as part of human rights.

### 2. Occupational Safety and Health, and health beyond OSH

Occupational Safety and Health rights of garment workers is central to Just Transition, as this is a sector with a long history of poor health for the workers, and the daily impact of climate change will now add another layer to the intensity of working conditions.



As previously discussed, workers are constantly exposed to conditions that impact their health for the long term. Demands put forward by workers regarding OSH relate to rights of medical insurance, social protection, medical facilities at work, clean and safe drinking water, sanitation. Women also demand creche and child care centres at workplace that the employers should provide. Better ventilation for light and heat, fire exits, windows, coolers have to be ensured considering the rising temperatures. The ILO talks of including climate change risks that must be mapped and included in OSH policies, including heat stress<sup>41</sup>. Convention 155 and Convention 187 on OSH and its framework have not been ratified yet by India. Ratifying this will be a step in the right direction. While OSH regulations should deal with these and other infrastructural elements and health rights at work, it is equally important to address the 'low-intensity epidemics' which deplete workers health on everyday basis.

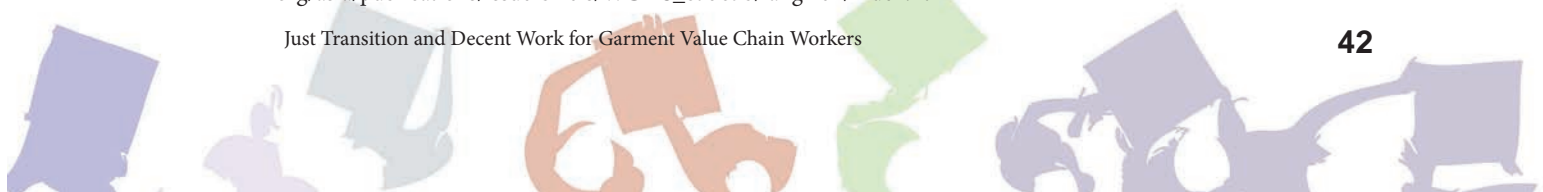
The living conditions of workers also emerge from the labour regimes and work conditions. Therefore, ensuring decent and dignified living conditions for workers especially informal sector workers, including decent housing, functioning toilets, water, drainage, nutrition, ventilation in the residential areas of workers, quality health centres must also be seen as the part of a just transition, for which the government, employers and buyers must have a responsibility and accountability towards. Thus, the demand must go from OSH to workers' health at a broader and holistic level and ensuring of dignified living conditions.

Environmental activist Nagraj Adve holds that planning and providing arrangements to deal with heat stress and flooding, the two main forms of climate change faced particularly in South Asia have more direct and specific impact on workers, is very important. He provides certain suggestions for these. Providing cooling of factories and workplaces with high-powered fans and coolers should be a necessary requirement. Heat Action plans for working population of the city are needed to be developed by city-level administration and governments. One of the rules of such plans should be that no work should take place in the hottest hours of the day, during afternoons, particularly in South Asia.

"The problem faced is an urgent one, and this urgency must be kept in mind in the current discussions to provide a faster transition which is also just. Therefore, concrete steps related to working conditions are needed to be immediately implemented", Adve cautions.

### 3. Right to unionize and representation

41 "Green Jobs and Just Transition Policy Readiness Assessment in India", ILO, September 2023, [https://www.ilo.org/asia/publications/issue-briefs/WCMS\\_873078/lang--en/index.htm](https://www.ilo.org/asia/publications/issue-briefs/WCMS_873078/lang--en/index.htm)



Workers' organisations have asserted that the right to form unions and workers representation is an important part of a Just Transition for workers, as democracy is also a part of justice. This right must be recognized and enabled by governments and companies in all sectors of work, and the ILO can play a role in insisting on this in their negotiations with both.

It is suggested that India should start by ratifying ILO's Convention 87 on freedom of association and protection of the right to organize and Convention 98 regarding the right to organise and collective bargaining which is crucial for workers' rights, even though the right to freedom of association is mentioned in the Indian constitution as well. Trade unionists and civil society representatives insist that the right to unionize is a non-negotiable part of a transition towards sustainable future.

In June 2023, the EU's Parliament adopted recommendations for the EU strategy for sustainable and circular textiles<sup>42</sup>. These were based on the demands by a coalition of European trade unions and civil society organisations working with garment and textile sector. This coalition's demands focus on certain key points: tackling global overproduction, recognising there is no sustainability possible without workers, ensuring a Just Transition, building fairer purchasing practices, enabling the transparency of supply chains, maximising local re-use of textiles, ensuring sustainable textile production in Europe.<sup>43</sup>

On the other hand, Indian trade unions have pointed out that they are excluded from any consultations and negotiations on the issue of just transition. In December 2022, four central trade unions in a statement said that there were consecutive meetings between the officials of the World Bank, the Ministry of Coal (Government of India), and Coal India Limited without any representative of the coal workers. The unions criticized the fact the World Bank was going to provide a conditional loan to India as part of the Just Transition deal. "Unions oppose condition-based help. If a rational energy transition is expected, various stakeholders (that include coal allied industries, trade unions, and affected populations) must have the knowledge and say in the expense of the amount."<sup>44</sup> The official report also mentions that the World Bank has provided aid of \$1.15 million to the Ministry of Coal in 2022 and claims to have engaged with various stakeholders. Similarly, Independent international trade unions also called out the government for not involving them in the consultations of L20, Labour and Em-

42 Parliament wants to make EU textiles and clothing industry greener, 1 June 2023, <https://www.europarl.europa.eu/news/en/press-room/20230524IPR91913/parliament-wants-to-make-eu-textiles-and-clothing-industry-greener>

43 Civil Society Joint reaction to EU strategy for sustainable and circular textiles [https://news.industrial-europe.eu/documents/upload/2023/6/638216624159030152\\_Joint\\_reaction\\_to\\_EU\\_Strategy\\_final\\_report.pdf](https://news.industrial-europe.eu/documents/upload/2023/6/638216624159030152_Joint_reaction_to_EU_Strategy_final_report.pdf)

44 Saurav Kumar, "Devoid of Representation in Just Transition Policy, Trade Unions Cry Foul", Newsclick, February 2023, <https://www.newsclick.in/Devoid-Representation-Just-Transition-Policy-Trade-Unions-Cry-Foul>



ployment Ministerial Meetings and G20 Energy Transition Working Group between May to July 2023.<sup>45</sup>

All discussions and policy negotiations on just transition are incomplete and unjust if it excludes workers' voices and representation. Without this, it is obvious that the resultant transition policies will focus on abstract notions of environmentalism, instead of being rooted in mitigating impact on the millions of workers.

Making unions an integral part of transition conversations means that concrete ideas can be generated which will ensure that workers find a rightful and meaningful place in the process. Two positive examples of such an inclusion have taken place recently. There was an agreement signed in October 2022 between North America's Building Trades Unions (NABTU) and Ørsted, a Danish offshore wind energy firm, to construct the company's U.S. offshore wind farms with an American union workforce<sup>46</sup>. The American union workers from the building trades are the ones who could otherwise be left out of a transition to renewable resources. The company said that it wanted to assure workers particularly in the fossil fuel industry that they can have good-paying jobs in the offshore wind industry, and that it is possible to have good jobs and healthy climate both.

In Poland, an agreement was signed in 2020 between the Polish government and mining companies along with unions on phasing out all coal mines by 2049. The country depended on coal for nearly 75% of its electricity generation, with a large number of workers depending the sector for livelihood. The agreement which came after negotiations between the three parties committed to guarantee of jobs and/or social protection for every current coal and mining worker until they reach retirement<sup>47</sup>. While the implementation remains to be seen, this provided at least a promise of meaningful commitment to include all workers in a transition plan.

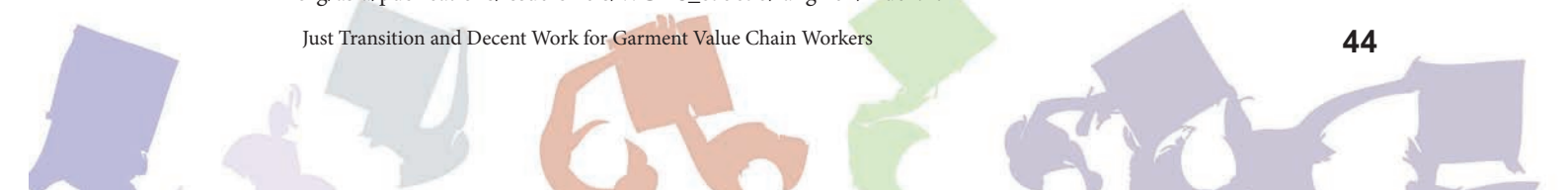
ILO has also pointed out in its 2023 study that social dialogue involving workers' organisations is low, and for a Just Transition towards low-carbon development, involvement of Trade Unions in planning and implementation of strategies is key<sup>48</sup>. "Tripartism and social dialogue across sectors including those undergoing green transitions is necessary, and the prevalence of union-busting and de-registration are un

45 "India G20: Modi Government slammed for rejecting independent union involvement", May 2023, <https://www.ituc-csi.org/india-g20-modi-government-slammed>

46 "North America's Building Trades Unions and Orsted Agree to build American Offshore Wind Energy Industry with American Labour", May 2022, <https://us.orsted.com/news-archive/2022/05/national-offshore-wind-agreement>. However, reports from 2023 show Dockworkers Unions accusing the company of union busting <https://energywatch.com/EnergyNews/Renewables/article16676753.ece>

47 "Polish Trade Unions Sign Agreement to Plan Phase Out of Hard Coal Mines", IndustriAll, October 2020, <https://news.industriall-europe.eu/Article/501>

48 "Green Jobs and Just Transition Policy Readiness Assessment in India", ILO, September 2023, [https://www.ilo.org/asia/publications/issue-briefs/WCMS\\_873078/lang--en/index.htm](https://www.ilo.org/asia/publications/issue-briefs/WCMS_873078/lang--en/index.htm)





dermining the value of Trade Unions and need to be curbed”. It also mentions that the green job policies proposed do not include labour rights in a clear way.

#### 4. Restructuring production priorities

A summary restriction of consumption of garments in global North would have the adverse impact of huge job losses in the Global South, in hundreds of millions. However, an altering of consumption patterns is particularly needed in the garment sector as it is a major source of waste and pollution. This dilemma calls for rethinking the ways in which economies of the Global South are structured- that is, employment generation should not be tied only with the highly unsustainable consumption demands and export-oriented production. The economies of the low-income and developing countries will have to be radically rethought in a way that providing decent employment to its millions of people is de-linked from this paradigm of capitalist production.

“Instead of circular economy, the question of sustainability in the garment industry is *why do we need so much clothes being produced?* What is the need of fast fashion, of 52 ‘seasons’ of clothing when there are only 2 to 3 seasons in the world, only to then create the wastage in the first place? The answer is to just produce less and pay workers more for 8 hours of work, instead of making workers work overtime for 12 hours without pay because of the pressure of fulfilling orders in a few days”, Apoorva Kaiwar said pointing to the need to restructure the paradigm.

“To move in the right direction, we have to go back to the structure of accumulation and profit in the global system, and think of a new form of economic organisation”, added Prof. Dev Nathan.

Certain informal workers’ associations, also propose that green economy must also include local solutions such as cooperatives, social and solidarity economy. This will ensure that unemployment is not increased and carbon foot-prints are kept low as well. While this will not take care of the scale of the problem, it can provide one of the several options available during the transition.

#### Moving Forward

The Government of India needs to conduct a thorough assessment of the impact of transition on garment and textile workers on all ends of the production chain. A good example to follow is the Jharkhand government which created a dedicated task force to assess details about the dependency of the local communities on the coal economy and recommend a roadmap towards a sustainable, ‘just transition’ for the coal sector of the state.



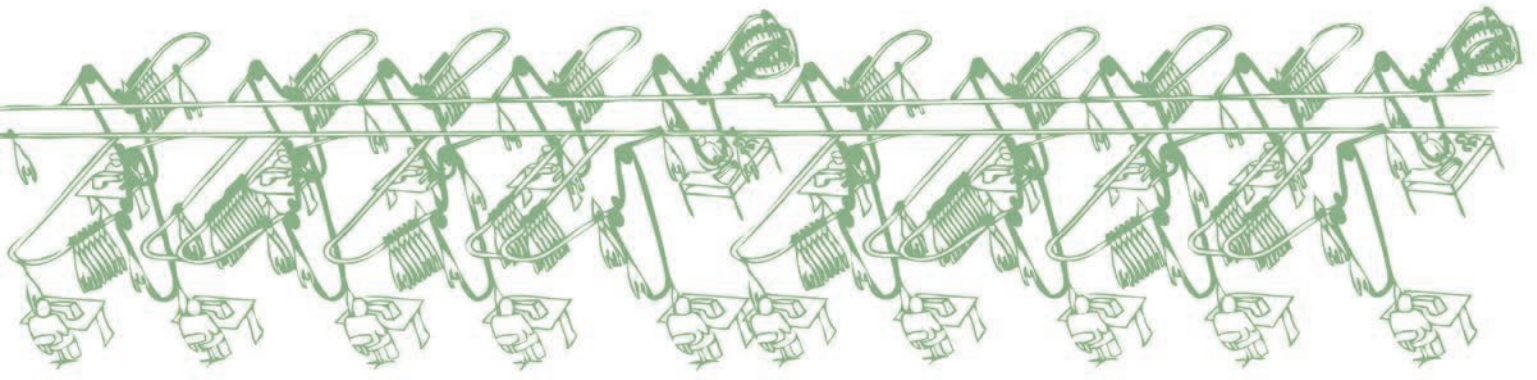
This is also important to ensure that existing inequalities and hierarchies within the sectors, especially for marginalised caste communities and women, are not replicated and reinforced. A Just Transition should provide transformation *out of* these inequalities, instead of increasing precarity and insecurity for working people. It should provide a cushioning to vulnerable communities who are at the highest risk of being impacted, displaced, or deprived due to climate change and green transitions.

Within the garment GVC, this may be particularly relevant for women workers who are at the lowest rungs of the chain, and for workers from communities that are traditionally and generationally dependent on textile or garment related work. They are more vulnerable to being left out of green transition initiatives. The trade unions and workers representatives must also be mindful of the rights and interests of these sections, so that just transition is also as inclusive as possible.

### Concluding remarks

- No consistent policies or definition of Just Transition being used by policy-makers in India with regard to garment sector.
- Much of current discourse & action is related to shift from fossil fuel to Renewable Energy.
- Proposals and discussions on green transition in India have so far excluded workers/representatives, thus missing their concerns related to job loss, skilling, OSH, and climate impact on daily work life
- Trade Unions are apprehensive about the green transition discourse because of their focus on immediate needs of workers related to employment and protecting bare minimum available rights. Also, as previous proposals regarding value chain regulation have remained ineffective & on paper only, the apprehensions have only increased.
- There is a need for more in depth and serious discussion within unions regarding garment sector related transition, which is currently lacking. Only based on such urgent discussions can more concrete demands and specific measures be put forward.
- A holistic understanding with aspects of social, environmental, economic justice needs to be developed to benefit workers.





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