
**CHILD LABOUR IN HYBRID COTTONSEED PRODUCTION IN
ANDHRA PRADESH: RECENT DEVELOPMENTS**

Davuluri Venkateswarlu*

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* Director, Glocal Research and Consultancy Services, Hyderabad (davuluri_v@yahoo.com)

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LIST OF ACRONYMS AND ABBREVIATIONS

AP	Andhra Pradesh
APSEB	Andhra Pradesh State Based Project
APSSCA	Andhra Pradesh State Seed Certification Agency
ASI	Association of Seed Industry
BCF	Business and Community Foundation
CEASE Child Labour	Consortium of Employers' Associations for the Elimination of Child Labour
DPEP	District Primary Education Programme
DPIP	District Poverty Initiative Programme
FNV	Federation of Netherlands Trade Unions
HLL	Hindustan Lever Limited
ICN	India Committee of the Netherlands
ILO-IPEC	International Labour Organisation – International Programme for Elimination of Child labour (ILO-IPEC)
ILRF	International Labour Rights Fund
MAHYCO	Maharashtra Hybrid Seed Company
MNCs	Multinational Companies
MVF	Mamidipudi Venkatarangaiah Foundation
NCLP	National Child Labour Project
NGO	Non Governmental Organisation
RBC	Residential Bridge Course
SHECS	Sri Hanumantharaya Educational Charitable Society
SPEED	Society for Peoples Economic and Educational Development
SVK	Sramika Vikas Kendram
TDP	Telugu Desam Party
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
UEE	Universalisation of Elementary Education

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INTRODUCTION

The issue of child labour in hybrid cottonseed production in the state of Andhra Pradesh, India, has recently received national and international media attention. A number of initiatives to address the problem have been undertaken by the Government, Non Governmental Organisations (NGOs), the seed industry and international agencies like ILO-IPEC, UNICEF and UNDP.

The publication of reports by the Business and Community Foundation and Plan International in 2001¹ and the India Committee of the Netherlands (ICN) in 2003², pointed out the role of large-scale national and multinational seed companies (MNCs) contributing to the problem of child labour in cottonseed sector. A subsequent campaign initiated by NGOs, trade unions and social investors in The Netherlands, Germany, UK and USA has put the multinational companies (MNCs) who are producing and marketing hybrid cottonseeds in India under severe pressure to pay serious attention to the problem. As a result, several national and MNCs acknowledged the problem of child labour in the seed industry and have recently come forward to initiate steps to address the problem. In addition to the seed companies, the state government, local NGOs, and international bodies like ILO-IPEC, UNICEF, UNDP have also initiated several measures to address the problem of child labour in general and cottonseed production in particular. This study is an attempt to critically examine the recent interventions and their impact on the nature and magnitude of the child labour problem in hybrid cottonseed production in Andhra Pradesh.

Hybrid cottonseed production is characterized as highly labour-intensive and girl children are engaged in most of its operations. The exploitation of children in cottonseed farms is linked to larger market forces. Several large-scale national and multinational seed companies, which produce and market the seeds, are involved in perpetuating the problem of child labour. Children are employed on a long-term contract basis through advances and loans extended to their parents by local seed producers, who have agreements with the large national and multinational seed companies. Children are made to work long hours and are paid less than market and official minimum wages. They are also exposed to poisonous pesticides used in high quantities in cottonseed cultivation.

The present study is commissioned by the India Committee of the Netherlands. The author is a member of the joint committee formed with the representatives of Association of Seed Industry and MV Foundation in September 2003 to advise the Association Seed Industry in its efforts for total elimination of child labour in cottonseed production. The observations presented in this report are the author's own and may not represent the opinions of either ASI or MV Foundation on this issue. The author is grateful to Prof. Shantha Sinha, Gerard Oonk, Lucia da Corta, and representatives of ASI for their comments and suggestions on the draft report. He is also grateful to several individuals and institutions who have directly or indirectly helped him in carrying out this study.

Based on a detailed field survey conducted in 2001, the ICN report estimated the total number of children employed in cottonseed production in Andhra Pradesh at 247,830 out of which 85% are girls. Child labour accounted for nearly 90% of the total labour force in cottonseed production. The farms producing seed for MNCs - Unilever, Bayer, Monsanto, Syngenta and Advanta³ - accounted for about 19% of the total children working (53,500 out of 247,830) in cottonseed production in the state.

0.1 Objectives of the study

- To examine recent trends in employment of child labour in hybrid cottonseed production in Andhra Pradesh.
- To examine the impact of recent initiatives undertaken by the government, local NGOs, seed industry and international agencies like ILO-IPEC, UNICEF and UNDP on the nature and magnitude of the child labour problem in cottonseed production in the state.
- Resurvey of farms producing cottonseed for MNCs previously covered by the ICN study.

0.2 Methodology

The study is mainly based on primary data collected through field visits to cottonseed farms as well as interviews and discussions with children working in cottonseed farms, seed farmers, organisers, representatives of seed companies, government officials and NGO personal in four districts namely Mahaboobnagar, Kurnool, Rangareddy and West Godavari. The field survey for the present study was conducted during September and December 2003. The estimates of the total number of child labourers in cottonseed production for the 2003-04 crop season are calculated on the basis of the total area under cottonseed production, per acre average requirement of labour and proportion of child labour to total work force.

The present study consists of a detailed survey of working conditions of children in 174 cottonseed farms in 38 villages in ten mandals in Kurnool, Mahaboobnagar, Rangareddy and West Godavari districts of Andhra Pradesh. Out of 174 farms surveyed, 130 produce seed for various local companies and 44 for multinational seed companies. The names of local seed companies included in the survey are Nuziveedu Seeds, J.K. Seeds, Ankur Seeds, Swagath Seeds, Sri Ram Seeds, Nandi Seeds, Palamur Seeds, Tulasi Seeds, Nagarjuna Seeds and Vikki Agro Tech⁴. The names of MNCs are Emergent Genetics group of companies (Paras Extra Growth Seeds and Mahendra Hybrid Seeds), Proagro (owned by Bayer), Mahyco-Monsanto and Advanta. Of the total 44 MNC farms included in the survey, 16 produce seed for Emergent Genetics, 14 for Mahyco-Monsanto, five each for Proagro and Advanta. In case of four farms complete details are not available to clearly link them to specific companies but based on the limited data⁵ the study concluded that they produce seed for MNCs and not local companies.

As part of the study, a resurvey of farms producing seed for MNCs which were previously covered by the ICN study was undertaken. A sample of 22 cottonseed farms producing seed for

different MNCs (12 for Hindustan Lever Limited (HLL), three each for Syngenta and Mahyco-Monsanto, and two each for Proagro and Advanta) were surveyed in 2001 by the author for the ICN study. When these farms were revisited during November 2003 it was found that out of 22 farms only 14 were producing seed for MNCs. The remaining 8 farms either discontinued their production or shifted to local companies⁶.

0.3 Structure of the report

The present report is divided into three sections. Section one examines the recent initiatives against child labour in general and cottonseed sector in particular in the state by different agencies. Section two examines the impact of the recent interventions on the overall situation of child labour in cottonseed production. The final section briefly discusses the current situation of child labour in cottonseed production in the state.

SECTION – I

RECENT INTERVENTIONS

The present section briefly examines the recent initiatives against child labour in general and cottonseed sector in particular in the state by the government, local NGOs, the seed industry and international agencies like ILO-IPEC, UNICEF and UNDP.

1.1 Government of Andhra Pradesh

The government of Andhra Pradesh has recently initiated a number of steps to address the problem of child labour in the state. The State Legislative Assembly in March 2001 passed a resolution to end all forms of child labour and achieve Universalisation of Elementary Education (UEE) in the state by 2004.

The state government policy on child labour recognises the linkage between child labour and compulsory education up to class 10. In a report prepared by the Education Department, Government of Andhra Pradesh, it stated that 'the state's plan of action significantly views the entire process of universalising elementary education and elimination of child labour as simultaneous processes. In view of this, the strategies for enrolling children into school invariably incorporates strategies for withdrawal of children from work also'. The basic premise governing the programme for universalising elementary education in the state is that parents, even in rural areas, are not only willing but are also capable, in economic terms, of sending their children to formal schools. This implies that elimination of poverty is not a pre-condition for universalisation of education.⁷

Various programmes initiated by the state government to achieve its goal of total elimination of child labour in the state include the Back to School Programme, Residential and Non Residential Bridge Course Centres for 9-14 age group children under DPEP (District Primary Education Programme) and DPIP (District Poverty Initiative Programme), the National Child Labour Project Scheme and Early Child Education Centres. In the year 2002-03, the state government under DPEP and DPIP programmes supported 3,376 Non-Residential Bridge Course (NRBC) centres and 385 Residential Bridge Course (RBC) Centres. The state government has also launched a midday meal programme in 2002 in all the primary and upper primary schools in the state covering 700,000 (7 lakh) children. This programme is meant not only to increase enrolment but also to enhance retention through better nutrition levels and improve the quality of education in the schools.

Realising the limitations of the existing laws to achieve its goal of elimination of all forms of child labour and achieve universalisation of elementary education, the state government decided to bring a new legislation which ensures elimination of all forms of child labour making school education compulsory for all the children in the state. A Draft legislation was prepared and also

received approval from the state cabinet in May 2003. The Telugu Desam Party (TDP) which was in power at that time promised to put this bill before the State Legislative Assembly for approval but failed to do so. The TDP lost power in 2004 and the new government headed by the Congress party has not yet revealed its decision regarding this pending bill.

To sensitise the community on the child labour issue and attract children into schools, community mobilisation activities have been undertaken across the state. A 10-day massive community mobilisation campaign known as 'Chaduvula Pandaga' was launched throughout the state in August 2002. In this programme, a large number of children were enrolled into schools across the state. A legal enforcement drive was undertaken to release child labourers and 5,442 cases were filed against the employers of children in different sectors.

In Mahaboobnagar and Kurnool districts where cottonseed production is concentrated, the issue of child labour has received special attention from the district administrations. During the 'Chaduvula Pandaga' programme, the labour departments in these districts have conducted enforcement drives in some concentrated pockets (Gadwal area in Mahaboobnagar, Nandhyala and Adoni areas in Kurnool) and filed nearly 200 cases against several seed farmers under the Minimum Wages Act 1948. With the help of the MV Foundation the district administration in Kurnool launched a massive community mobilisation programme in January 2004 covering all the mandals in the district. The issue of child labour in cottonseed fields has received special attention in this programme.

Although the present policy stand of the government on child labour looks at the problem and its solution from the right perspective, the necessary efforts have not been made to translate this policy into effective implementation at the ground level. In the implementation of most of the recent programmes launched by the Government, there is a high emphasis on the enrolment of children in schools rather than retaining them. Community motivation and mobilisation are given secondary importance and it is undertaken as a one-time event. The dry ration (of grains) and midday meal programme have encouraged fictitious enrolment in several places. Due to the fact that less attention is given to community motivation and mobilisation, the residential and non-residential bridge course centres opened by the government on the lines of the 'MV Foundation approach' are not functioning very effectively. The high targets set by the higher officials encouraged lower bureaucracy to report wrong statistics. Several local NGOs who came forward to partner with the government in community mobilisation efforts and mainstreaming of child labour through bridge course centres discontinued their partnership with the government due to non co-operative attitude of the bureaucracy.

The present estimates of DPEP on school and non-school going children indicate a drastic decline in the total number of non-school going children in the state (from 29 lakhs (290,000) in July 2002 to 5.8 lakhs in January 2003). However, the reliability of the DPEP estimates is highly questionable. Several NGOs have questioned these figures and even the Minister for Primary Education of the Government of Andhra Pradesh himself expressed doubts about the reliability of these figures.

Despite problems, the net impact of various interventions by the government in addressing the problem of child labour in general and cottonseed production in particular could be termed as positive. A lot of awareness has been created on the issue child labour in the state. The magnitude of child labour has declined though certainly not as much as claimed by DPEP. Also with regard to the child labour situation in the cottonseed sector the government interventions had some positive impact. The impact could however be felt more in the seed processing units. The enforcement drives conducted by the labour departments in selected areas sent a clear signal to the seed farmers and owners of the seed processing units that employing child labourers would attract severe penalty.

1.2 ILO-IPEC, UNICEF and UNDP

The issue of child labour in general and child labour in cottonseed production in particular has also received special attention from United Nations agencies like ILO-IPEC, UNICEF and UNDP.

1.2.1 ILO-IPEC

During 2000-2003 ILO-IPEC implemented a special project for the elimination of child labour in Andhra Pradesh. The project aimed at tackling child labour in the state by working closely with the government, employers, social organisations, NGOs and trade unions. As part of its project, ILO-IPEC brought together various trade unions and employers associations on a common platform to work against child labour. ILO-IPEC facilitated the formation of CEASE Child Labour (Consortium of Employers Association for Elimination of Child Labour) in 2001 with the objective of influencing employers against the employment of child labourers, encourage the public commitment of employers and inspire employers to work with the community and the government. CEASE Child Labour comprises of 22 Employers Federations, Sectoral Business Associations and Human Resources Professional Associations, which represents about three quarters of the trade, industry and commerce in the state. The Seedsmen Association of Andhra Pradesh, an organisation of seed producers is one of the members of CEASE Child Labour.

CEASE Child Labour paid special attention to the issue of child labour in the cottonseed sector. The Seedsmen Association took the responsibility for the elimination of child labour in the cottonseed industry in the state through sensitisation and mobilisation of seed producing companies, seed organisers and seed farmers. It also accepted the responsibility of implementing a model project for total elimination of child labour in Boothpur mandal of Mahaboobnagar district where seed production and processing activities are concentrated. Soon after becoming a member of CEASE Child Labour, the Seedsmen Association organised a meeting of its members in September 2001 and passed a special resolution requesting them not to engage child labourers in their seed production and processing activities. In order to sensitise the members of the association on the issue of child labour, the Seedsmen Association conducted a number of meetings and workshops. During its 7th annual general body meeting in October 2002, the main theme discussed was how to eliminate child labour from the seed industry.

The child labour elimination programme in Boothpur mandal started in the month of April 2002. In order to sensitise various stakeholders - parents, employers, teachers, youth and elected representatives - on the issue of child labour, village level meetings and rallies were conducted. A special enrolment drive was undertaken by the community workers of the Seedsmen Association in the month of August for enrolling 6-8 year non-school going children in schools. About 450 non-school going children were directly admitted into local government schools. With the support of the district administration, one Residential Bridge Course (RBC) centre with a capacity of 200 for 9-14 years age group children was started in September 2002. About 150 children joined this camp in September and the number increased up to 250 in December.

The activity of community awareness and sensitisation which are the key components of the programme in Boothpur project has received a set back due to criticism from the local press and political leaders. They have questioned the motives of the seed companies in implementing this programme and the efforts of the seed companies as an attempt to protect their interests rather than that of the children. Due to this problem, the Seedsmen Association could not continue its community mobilisation activity and has withdrawn from the programme. The responsibility of running the bridge course centre has been entrusted to an NGO called 'Seva Bharathi'.

The activities undertaken by the Seedsmen Association to sensitise the seed companies and seed farmers had some positive impact on the child labour problem, particularly in seed processing factories. Due to efforts of the Seedsmen Association along with the Cotton Ginning Association which is also a member of CEASE Child Labour the number of children employed in the seed processing units in several parts of the state particularly in Boothpur and Kurnool towns has come down⁸. With regard to cottonseed production the impact is very marginal. The Seedsmen Association has helped seed companies to develop systems to obtain commitments from farmers while distributing seeds to them that they would not employ children in their farms. Despite the appeal from the Seedsmen Association several members of the organisation continue to employ children in seed production activities on a large scale.⁹

With a special focus on girl child labour in hybrid cottonseed production ILO-IPEC has implemented a separate project during 2002-2003 in two mandals of Mahaboobnagar district namely Maldakal and Tador. The local NGOs SPEED (Society for Peoples Economic and Educational Development) in Maldakal and SVK (Sramika Vikas Kendram) in Tador, implemented this project during 2002-2003. Various activities were undertaken by these NGOs to sensitise the community on the child labour issue and motivate children to join schools. Due to the efforts of these NGOs and local government officials the number of non-school going children in these two mandals have come down. According the data provided by NCLP, Mahaboobnagar the total number of non-school going children in Maldakal and Tador mandals has come down from 8,683 in April 2002 to 2,408 in September 2003¹⁰. These figures need to be cross checked because there is a wide variation between these figures and the other sources of data (DPEP estimates and author's own field study in some villages in Maldakal in 2003).

1.2.2 UNICEF and UNDP

Since 2001 UNICEF has been supporting DPEP to implement a special project for elimination child labour in two mandals namely Gonegandla and Nandavaram in Kurnool district where cottonseed production is concentrated. With a capacity of 100 children each, two residential bridge course centres were opened in these mandals to mainstream the child labourers into formal schools. Under the South Asian Poverty Alleviation Programme UNDP has also supported the initiatives for elimination of child labour in a few mandals in Kurnool and Mahaboobnagar districts.

The area and number of children covered through special projects implemented by three UN agencies i.e. ILO-IPEC, UNICEF and UNDP is very limited. Given the widespread nature of the problem the impact of these projects on the overall magnitude of child labour problem in cottonseed production in the state is also marginal.

1.3 International NGOs

Since several MNCs are also actively involved in cottonseed production in Andhra Pradesh where children are employed on a large-scale, the issue of child labour in this sector has received global attention. Various international NGOs and unions in Europe and USA have started campaigning against the role of MNCs in encouraging the problem of child labour in cottonseed production. The campaign was first taken up in 2002 by the Dutch organisations India Committee of the Netherlands (ICN), Amnesty International Netherlands, NOVIB/Oxfam Netherlands and the Federation of Netherlands Trade Unions (FNV) with regard to both Unilever and Advanta which have their headquarters situated in The Netherlands. Though the activities started in 2002 with a visit to Unilever a campaign started in 2003 with the publication of a detailed report by ICN focusing on the role of MNCs in contributing to the problem of child labour in cottonseed production in Andhra Pradesh. The ICN report stimulated several organisations in other countries like UK, Germany and the USA to join the campaign as well. In the UK Anti Slavery Society took up the issue with Unilever. In Germany, the Coalition against Bayer-dangers, Germanwatch and the Global March Against Child Labour took up the issue with Bayer. In the USA, the International Labour Rights Fund (ILRF) and the International Center on Child Labour and Education (ICCLE) took up the issue with Monsanto. The international campaign gained momentum in 2003, mainly through publicity in national and international written media, correspondence and dialogues with companies and pressure by social investors and public opinion, putting MNCs under severe pressure to initiate steps to address the problem of child labour.

Table 1: International NGOs involved in campaign against child labour in India's cottonseed industry

Country	Name of the organisation
The Netherlands	India Committee of the Netherlands (ICN) Amnesty International Netherlands NOVIB/Oxfam Netherlands Federation of Netherlands Trade Unions (FNV)
UK	Anti-Slavery Society
Germany	Coalition against Bayer-dangers Germanwatch Global March Against Child Labour / Germany
USA	International Labour Rights Fund International Center on Child Labour and Education

1.4 Local NGOs

A local NGO like the MV Foundation which is working in several parts of the state, SHECS (Sri Hanumantharaya Educational Charitable Society) in Kurnool, SPEED, Sramika Vikas Kendram, Koneru, VIP (Villages in Partnership), Mahila Samakya in Mahaboobnagar and Social Service Centre in West Godavari are actively involved in the campaign against child labour in general and the cottonseed sector in particular in the state¹¹. Among these NGOs the contribution of MV Foundation to the issue of child labour in general and cottonseed sector in particular is very significant.

1.4.1 MV Foundation

The MV Foundation, based in the state of Andhra Pradesh, Southern India, has done pioneering work on the issue of child labour. It has developed a unique and powerful approach to address the twin problems of child labour and lack of access to full time education.

MV Foundation works with the basic understanding that 'Any child out of school is a child labourer' and the only way to eliminate child labour is through full formal education. A set of interlinked strategies have been implemented to liberate children and to enrol them into schools. As part of its overall strategy, MVF mobilises all those concerned with the process of withdrawing children from work and enrolling them in schools: parents, teachers, youth, employers, women's groups, elected representatives and the children themselves. This massive mobilisation effort is done with a view towards transforming attitudes and creating an

environment that is supportive of children's education. Motivation centres have been established at villages which serve as the nerve centre to bring working children into school. Bridge courses, camps and residential programmes are conducted as part of a process to encourage children to attend schools.

The success of the MVF model can be gauged by the fact that since 1991 up to now the Foundation has worked in over 4,330 villages. In 1,500 of these villages, every child in the age group of 5-11 is attending full time school. In 600 villages all children up to 14 are attending school. Nearly 250,000 children have been enrolled and retained in schools, while more than 7,000 bonded labourers have been released.

With regard to the issue of child labour in cottonseed production, the contribution of MV Foundation is significant. The exploitation of child labour in cottonseed fields was first brought into light in 1998 by this organisation¹². In Parigi, Pudur, Kulkacharla and Doma mandals of Rangareddy district, where cottonseed production is concentrated, MVF, with the support of the local community, initiated a massive campaign against the employment of children. Especially in 2003 and 2004, the MV Foundation spread its activities to Kurnool and Mahaboobnagar districts, the main centres for cottonseed production. Hundreds of girl children working in cottonseed fields were withdrawn from work and were sent to schools. Special bridge course camps for older (10-14 years) girls are being conducted to bring them into the fold of mainstream school education.

Since 2001, some of the leading MNCs involved in hybrid cottonseed production in Andhra Pradesh have been involved in a dialogue with MV Foundation and other organisations working towards a collaborative action plan for the elimination of child labour in the cottonseed sector. In a significant move in September 2003, all the leading MNCs and major Indian companies agreed to enforce a collaborative action plan with MV Foundation and other organisations for the total elimination of child labour in the cottonseed industry.

In January 2004 with the help of the district administration in Kurnool MV Foundation launched a district wide massive campaign against child labour. The issue of child labour in cottonseed production received special attention in this campaign because there is a high concentration of cottonseed production in this district.

1.5 Seed industry

1.5.1 Initiatives taken by the seed industry

The growing concern about the problem of child labour in Andhra Pradesh in recent years has put the entire cottonseed industry, which employs children in seeds production, under severe criticism. The role of the companies in perpetuating the problem of child labour in cottonseed production is being questioned. MNCs who claim they are committed to the highest standards of socially responsible business practices had to face criticism from national and international media and NGOs.

Though the seed industry has already taken note of the issue of child labour in cottonseed farms in 1999¹³, until 2001 no efforts were made by the industry to address the problem. The initial response of most of the seed companies has been one of 'denying any responsibility on their part since they are not directly involved in employing child labour and evading responsibility for the actions of their contractors and sub-contractors'¹⁴.

The initiatives undertaken by the Seedsmen Association of Andhra Pradesh since 2001 to address the problem of child labour in the seed industry have been discussed above in the ILO-IPEC section.

1.5.2 Association of Seed Industry (ASI)

Association of Seed Industry (ASI) is a national association of the planting seed industry in India. All the major MNCs namely Monsanto, Syngenta, Advanta, Proagro, Pioneer and Emergent Genetics are members of this association. Indian companies such as Mahyco, Raasi, Ankur and Nath Seeds are also members of this association¹⁵. In Andhra Pradesh ASI members control nearly 27% of area under cottonseed production. Non ASI companies account for nearly 50% and the remaining 23% production area is controlled by the unorganised sector¹⁶.

In a significant move the ASI, along with Nuziveedu seed company (the largest in India) in September 2003 decided to take a concerted action to eliminate child labour in cottonseed industry in India through collaboration with the MV Foundation, a leading child rights organisation in India. A consultative meeting of the representatives of ASI and MV Foundation was held on September 7, 2003. This meeting was an outcome of a year long deliberations between some of the member companies of ASI and MV Foundation to find ways to take collaborative efforts for the total elimination of child labour in seed production activities.

In the meeting ASI expressed its commitment to work in collaboration with the local NGOs and the government. A Child Labour Eradication Group (CLEG) within ASI was created to conduct internal monitoring. This group was to work along with the MV Foundation to design a work plan and facilitate external monitoring. A joint committee with the representatives of CLEG (of ASI) and MVF was created and entrusted with the task of preparing an action plan for the next six months and to monitor the implementation of action plans.

The September 7th meeting between ASI and MV Foundation was significant in the sense that the same companies which denied responsibility for employment of children in seed production activities of their suppliers earlier accepted their responsibility and agreed to proactively work towards the elimination of child labour. According to Prof. Shantha Sinha, Secretary of MV Foundation, the significance of this meeting is that 'for the first time all the MNCs recognised that children are being employed in farms to which they have sub-contracted seed production. They also recognise that it is part of their corporate social responsibility to correct the situation'.

In the Annual General Body meeting of ASI held on September 13, 2003, a resolution was passed which read "Association of Seed Industry hereby resolves to proactively discourage directly and through its members the practice of child labour in hybrid seed production and

further take effective steps along with other stakeholders towards eradication of this social evil from the hybrid seed production areas".¹⁷

Subsequent meetings between ASI and MV Foundation were held on December 13, 2003 in Hyderabad, on January 27, 2004 at Kurnool (field level), on February 14, April 25 and July 9, 2004 at Hyderabad to review the progress of work.

On February 19, 2004 ASI and MV Foundation jointly organised a district level orientation meeting in Kurnool for cottonseed farmers. Around 500 cottonseed farmers participated in the meeting. ASI has prepared posters and brochures appealing to farmers not to employ child labour. All member companies of ASI incorporated a clause on elimination of child labour in the agreement between the farmer and the company. ASI requested its members to make sure that cotton foundation seed bags of their companies would carry a printed message of "no child labour". Emergent Genetics and Proagro, both member of ASI, organised orientation meetings for its farmers separately in December 2003. Some of the members of ASI recently shared the information of lists of villages with cottonseed production activity with MV Foundation to facilitate a process of local monitoring of the field situation¹⁸. In the meeting held between ASI and MV Foundation on July 9, 2004 the ASI shared its action plan for 2004-05 crop season. The various activities planned by ASI include formation of mandal level monitoring committees, publicity through print and electronic media, village incentive scheme aims at rewarding villages which do not employ children in cottonseed farms. During the meeting the MV Foundation asked the ASI to spell out a clear action plan on the part of companies to deal with farmers who violate child labour norm.

ASI has recently designed a scheme of incentives and disincentives which is called 'Operation Chaitanya'. It is meant to motivate the farmers to give up employing child labour in their farms. According to this scheme if seed farmers in a particular village come forward to totally eliminate child labour on their farms ASI will reward the entire village by financially supporting educational infrastructural needs of the village like constructing a school building, supplying educational material etc. Under this scheme also several disincentives have been announced for farmers who violate the no-child-labour norm in the agreement between them and the companies. In the proposed scheme of disincentives, the first time violation of the farmer will result in issuing a show cause notice by the company and a certain period to rectify the situation. If the farmer continues to violate the no-child-labour norm after a second inspection, the company will cut some percentage of money from its payments made to the farmer. For a third time violation the company will completely reject the seed from the farmer. The scheme does not clearly specify the time gap between each inspection.

In addition to taking part in ASI sponsored activities some of the member companies took additional steps to address the issue at their company level. Emergent Genetics and Proagro organised orientation meetings for their farmers separately in Kurnool in December 2003 and January 2004, respectively. During the December 13, 2003 meeting between the ASI and MV Foundation, Emergent Genetics, Proagro and Advanta reported that their field staff conducted

surprise field checks in few selected farms in the first week of December 2003 and found no child labour in their farmers' fields during the visits¹⁹.

Syngenta, an active member of ASI, recently made an agreement with Fair Labor Association²⁰, a US based independent monitoring organisation, for external monitoring of farms producing seeds for its company. Under this agreement the FLA would first advise Syngenta on how to monitor labour standards on the farms that supply seeds to the company and then conduct an independent monitoring and publish its results publicly²¹. Syngenta is the first plant science industry to approach the FLA to conduct external monitoring. Michael Stopford, Syngenta's head of global public affairs and government relations, admits that there are risks in being publicly evaluated on the FLA website. He acknowledged that NGOs and other observers will scrutinize the results carefully. But he says that working with external groups and submitting to external monitoring is the way to regain credibility²². It is understood that the scope of FLA monitoring will not be confined to child labour issue in Syngenta's cottonseed production sites in Andhra Pradesh. In addition to the child labour issue, the FLA monitoring will also look into other issues related to labour standards like wage rates, working hours, health and safety of workers and cover all of Syngenta Seeds' production sites in India²³. This is a major initiative and should complement and strengthen the joint project undertaken by ASI, of which Syngenta is already an active member, and the MV Foundation, which includes external monitoring. So long as the FLA work does not merely duplicate the ASI monitoring, Syngenta deserves credit for confronting the issue seriously and setting high standards.

To sum up, the sequence of events that followed after the September 7, 2003 meeting where the ASI made a clear public commitment to proactively intervene for the total abolition of child labour in their seed production activities, clearly indicates that in the initial period ASI was very slow to take the required steps to translate its commitment into effective implementation at the ground level²⁴. During the September 7, 2003 meeting, it was decided that the Child Labour Eradication Group of ASI with the collaboration of MV Foundation will immediately work out a concrete action plan for the next six months (October 2003 to February 2004) and implementation of it would start from the 2003 crop season itself. There was a long delay on the part of ASI to call for the next meeting with MV Foundation to discuss the action plan. The second meeting between ASI and MV Foundation was held on December 13 by which time the cottonseed crop season came to an end. For cottonseed production the time between September and November is very crucial because this is the peak time for cross pollination activity where children are used on a large scale. As a follow up to the September 7 meeting some of the members of ASI at their individual levels have actually initiated some steps during the 2003 crop season but these steps were mostly confined to strengthening their internal monitoring mechanisms and holding few meetings with farmers at the end of the crop season. As a consequence, ASI lost the opportunity to make any significant positive impact on the child labour situation during the 2003 crop season.

During the September 7 meeting, it was also agreed that ASI would share information regarding their production sites and provide lists of farmers who produce cottonseed for ASI members with the MV Foundation. This would enable the latter to bring any violations by the farmers to the notice of ASI, with the help of local Child Rights Protection Committees. After repeated requests from MV Foundation in April 2004 ASI informed that because of business reasons they

could not share the names of farmers. However, they agreed to provide the lists of villages and seed organisers. In July 2004, Emergent Genetics, Proagro and Syngenta shared this information with MV Foundation.

Another crucial issue discussed at length during the September 7 and December 13, 2003, meetings was the formation of local (mandal) level committees for joint monitoring and field verifications with the representatives of ASI, MV Foundation and Child Rights Protection Committee members. Despite the fact that ASI agreed on this, the process of formation of these committees has yet to be completed. A district level meeting of field representatives of ASI and MV Foundation was held in January 2004 to initiate field level cooperation but no follow up meetings were held after this at district level between ASI and MV Foundation.

Since January 2004, ASI took a number of initiatives to motivate seed organisers and farmers against the practices of employing children through meetings, appealing through posters, pamphlets, print and electronic media, offering incentives to the villages which do not employ children in seed production activities, taking oral and written commitments from farmers at the time of making contracts with them, which are in some ways very significant and will certainly contribute to the mitigation of the child labour problem to an extent.

However, in all the initiatives undertaken by ASI, one crucial aspect missing, which the seed companies alone can address, is procurement price policy. ASI holds the view that the employment of child labour in cottonseed production is in no way linked to procurement price policy adopted by the companies. It argues that cottonseed farmers have relatively better profit margins compared to other farmers and the procurement rates offered invariably exceed the cost of production considering the wages paid to adult laborers, and provide enough margin. But the findings of the present study and also earlier study by the author reveal a clear linkage between procurement pricing and employment of child labour in cottonseed production. In the ICN report published in 2003, the author analyzed data on cost of cultivation, procurement prices and wages structure in cottonseed production and argued that low procurement prices paid by the companies is one of the contributing factors for the extensive use of child labour in cottonseed production. Even though companies obtain a huge profit margin, they do not seem to be making any rational calculation about the cost of cultivation while fixing the procurement price to be paid to their seed farmers. With the current procurement prices of companies, seed farmers cannot afford to pay better wages to the labourers and still make reasonable profits. Unless better wages are paid, farmers would not be in a position to attract adult labourers to work in their fields in sufficient numbers.

Despite low wages due to severe drought and due to lack of other employment opportunities in some areas like Gadwal division in Mahaboobnagar the adult labourers are coming forward in recent years to work in cottonseed farms. In Nandhyala division in Kurnool where there is perceptible increase in adult labour component to total workforce in recent years, the wage rates paid labourers are relatively better compared to other areas in the state²⁵. This is not to suggest that once procurement price is increased the problem will be automatically resolved and farmers will shift to adult labour and pay better wages to the labourers. The price issue at least can address a part of the whole problem and other interventions will be more effective once it is resolved.

SECTION – II

IMPACT OF THE INTERVENTIONS

The cumulative efforts of the different initiatives against child labour undertaken by various agencies in Andhra Pradesh had some positive impact on the overall situation of child labour in cottonseed sector in the state. The present section examines recent trends in employment of child labour in cottonseed sector in the state and attempts to understand what extent these trends can be linked to the impact of recent interventions against child labour by the government, local NGOs, seed industry and UN agencies.

The recent trends in the employment of child labour in cottonseed production in the state clearly indicate a significant decline in the total number of children employed in this sector. However, the decline in numbers cannot be entirely attributed to interventions initiated by different agencies. Much of the decline is on account of reduction in the total area under cottonseed production in the state. What would be significant is to find out if the incidence of children being employed has actually come down in terms of its proportion to adult labour.

To examine the impact of recent interventions on the nature and magnitude of the child labour problem in cottonseed production, the present study has conducted a detailed survey of working conditions of children in 174 cottonseed farms in 38 villages in ten mandals in Kurnool, Mahaboobnagar, Rangareddy and West Godavari districts of Andhra Pradesh and findings of this survey are compared with the previous study conducted by the author for ICN in 2001. Out of ten mandals, in four mandals namely Sanjamala, Koilkuntla in Kurnool district and Dharur and Maldakal in Mahaboobnagar districts, the local NGOs are actively working on child labour issues²⁶. Out of 174 farms surveyed, 44 are producing seed for multinational seed companies namely Emergent Genetics group of companies (Paras Extra Growth Seeds and Mahendra Hybrid Seeds), Proagro, Mahyco-Monsanto and Advanta. The field survey for the present study was conducted during September and December 2003. The details of villages and farms covered in the survey are presented in table 2.

Table 2: Particulars of villages and number of cottonseed farms surveyed

District	Mandal	Name of the villages (total villages 38)	No. of seed farms (total farms 174)
Mahaboobnagar	Maldakal	Maddalabanda, Maldakal, Saddalonipalli, Uligepalli, Bijwaram, Vitalapuram, Takikunta , Amaravai, Dasaripalli, Elkur, Mallamdoddi	59
	Dharur	Marlabeeedu, Mannapuram, Erikachedu, Dharur, Rayalampadu, Ravulapalli	34
	Kosigi	Potureddy palli, Muktipadu	3
Kurnool	Sanjamal	Alvakonda, Giddalore, Akumalla, Perusomula, Mikkinenipalli	24
	Koilkuntla	Guldurthi	10
	Uyyalawada	Allur, Suddamalla	16
	Kowthalam	Lingaladinne, Khatrik, Halwi, Nadichagi	14
	Kodumur	Madumalakurthi	2
West Godavari	Jangareddygudam	Jangareddygudam, LN Peta	2
Rangareddy	Ganded	Salarnagar, Vennichedu, Reddipalli, Komireddypalli	8

2.1 Important findings of the field study

- The total area under these 174 seed farms is 264 acres and the average farm size is 1.52 acres. Compared to 2000-01 the average farm size has declined (from 2.4 acres in 2001-01 to 1.52 acre in 2003-04).
- A total of 1,556 children in the age group of 7-14 years worked in these farms during 2003-04 crop season, out of which 75.8 % were girls. Children account for nearly 57.4% of the total workforce. On an average about six children were engaged for one acre of seed production. Compared to 2000-01, the proportion of child labour to the total workforce and per acre employment of number of children has declined. The proportion of child labour decreased from about 88% in 2000-01 to 57.4 % in 2003-04.
- The proportion of child labour to the total workforce varied between 40% to 85% in different regions. The proportion of child labour to the total workforce was found low in West Godavari district, in Nandhyala division (mandals like Sanjamala, Koilkuntla and Uyyalawada) in Kurnool and in Gadwal division (mandals like Maldakal and Dharur) of Mahaboobnagar district. Due to the active campaign launched against the employment of child labour in these areas, the seed farmers have recently started slowly replacing the child labour with adult labour in their farms. In all these areas local NGOs and government

departments are active and seed companies have also focused their interventions here. Between 2000-01 and 2003-04 in Nandhyala division the proportion of child labour to the total workforce has come down from about 70% to 40% and in Gadwal division from about 90% to 50%. In other areas like Kosigi mandal in Mahaboobnagar, Ganded in Rangareddy, Kowthalam and Kodumur in Kurnool district there has not been much change in the employment practices and workforce composition. Children still constitute more than two thirds of total labour force in cottonseed farms.

- In most of the surveyed mandals, the employment of children below 10 years has significantly declined. Children in the age group of 7-9 years account for nearly 12% of the total child labour force in 2003-04. In 2000-01 this age group accounted for nearly 25% of the total child labour force.
- Regarding terms and conditions of employment there has not been much change since 2000-01. A large proportion of children continue to be employed on a long-term contract basis through loans/advances to their parents. The proportion of children involved in debt bondage has slightly decreased from about 90% in 2000-01 to 70%.
- About 80% of the workers engaged in these farms are hired labourers. Family labour constitutes only 20% of the total labour force. Compared to 2000-01 the involvement of family labour has increased (from 10% in 2000-01 to 20% in 2003-04). The increasing involvement of family labour is partly an outcome of decentralisation of production, a conscious strategy adapted by some companies to minimise the employment of child labour. As previously noted the average size of the farm has declined recently. It is argued that the requirement of labour will be low in small size farm and small farmers tend to depend more on their family labour. The adult members in the family also participate actively in the production and they have an incentive to do so. Though the decentralisation of production has helped to reduce employment of child labour, it led to the complex problem of parents engaging their own children in the production of cottonseed, which is more difficult to handle. In some areas like Gadwal division in Mahaboobnagar district, in order to avoid management problems involved in recruiting labourers, big farmers prefer to make crop sharing arrangements with families of agricultural labourers for production of cottonseeds. In this arrangement farmer will give a small portion of land with harvesting rights in his large farm to the labourers for supplying labour to his entire farm.
- Compared to 2000-01, there is a slight increase in the wage rates paid to the children in 2003-04. The average daily wage rate paid to the children above 10 years has increased from Rs 18 in 2000-01 to Rs 20 in 2003-04. Compared to the average daily wage rates paid to adult women this is about 25% less. Adult labour generally work 7 to 8 hours a day whereas children are made to work 9-10 hours in normal season and 11-13 hours in peak season. If one accounts for the extra hours of work done by children the wage gap between children and adult women is much more. The wage rates paid to children vary from area to area, age and work experience of the children. Three types of wage rates are noticed in the study area i.e., daily, monthly and seasonal wage rates. Daily wage rates are prevalent in

Rangareddy, many parts of Mahaboobnagar and West Godavari districts. Monthly and seasonal wage rates are prevalent in Kurnool district. Migrant children are generally hired on the basis of monthly wage rates. Regarding working hours no change has been reported. Children work about 9-10 hours a day in normal season and 10-13 hours in peak season (about a month). Compared to other areas the wage rates paid to labourers working in cottonseed farms in Nandhyala area are higher than elsewhere. In Nandhyala wage rates are calculated on a monthly basis. During 2003-04 the monthly wage rate paid to labourers varied between Rs 800 to Rs 1200 (for 12 to 13 hours of work per day) depending upon their age and experience. Compared to the daily wage rate of Rs 20 (for 9 to 10 hours of work per day) prevalent in several other pockets this is relatively better. There is a high concentration of seed production activity in Nandhyala division and the available child labour force in the area is not sufficient to meet the labour requirement. Hence farmers were under pressure to increase wages in order to recruit adult labourers, even though it cut into their profit margins.

- Compared to 2000-01 the costs of various inputs (wages, fertilisers and pesticides) have increased by 10-15% whereas the procurement prices of most of the seed companies paid to the farmers have not changed. Per acre average yields have actually come down due to pest problems and unfavourable climatic conditions.
- Due to increased media attention and frequent inspections from the labour department, farmers in several places have started adapting new strategies to hide their irregularities. The 11 to 14 year young girls are made to wear adult women dresses and shown as adults. By bribing local officials, seed farmers are securing wrong age certificates to claim that the children they employ are above the age limit prescribed under law.

2.2 Farms producing seed for MNCs

- The situation in farms producing seed for MNCs is not significantly different from other farms producing seed for local companies. Out of 174 farms surveyed, 44 farms produce seed for MNCs. Out of these 44 farms, 14 farms were covered by the ICN study in 2001-02²⁷. Table 4 presents the details of workforce composition in the farms exclusively producing seed for MNCs. A total of 272 children were employed in these farms during 2003-04 crop season. Children constitute 53.5% of total workforce which is slightly lower compared to farms producing seed for local companies (58.2%). On an average 5.5 children were employed in one acre seed farm. Girls account for nearly 72% of the total child labour population. Compared to 2001-02 the proportion of child labour to the total labour force has come down by 34.5% (from 88% in 2000-01 to 53.5% in 2003-04).

Table 3: Village wise number of children working in cottonseed farms during 2003-04

Name of the village	No. of farms surveyed (total area in acres)	Total no. of children working in the farms during 2003-04			Total adults	Company*
		Boys	Girls	Total		
Maddalabanda	7 (13)	21	43	64	57	Local + MNCs
Maldakal	4 (5)	12	21	33	15	Local
Saddalonipalli	4 (7)	11	24	35	32	Local
Uligepalli	8 (11)	21	43	64	46	Local + MNCs
Bijwaram	4 (5)	6	16	22	27	Local
Vitalapuram	4 (6)	8	24	32	29	Local + MNCs
Takikunta	6 (7)	8	27	35	35	Local
Amaravai	6 (9)	12	32	44	46	Local + MNCs
Dasaripalli	6 (8)	15	33	48	39	Local
Elkur	4 (6)	9	23	32	28	Local
Mallamdoddi	6 (7)	11	27	38	31	Local + MNCs
Marlabeedu	8 (11)	17	45	62	48	Local + MNCs
Mannapuram	4 (6)	7	23	30	30	Local
Erikachedu	8 (8)	12	34	46	35	Local + MNCs
Dharur	4 (3)	4	11	15	14	Local
Rayalampadu	8 (8)	10	34	44	39	Local + MNCs
Ravulapalli	2 (2)	3	7	10	13	Local
Potureddy palli	2 (5)	11	31	42	10	Local
Muktipadu	1 (2)	2	12	14	6	Local
Alvakonda	10 (13)	23	55	78	58	Local + MNCs
Giddalore	2 (4)	5	19	24	20	Local
Akumalla	4 (6)	8	22	30	27	Local + MNCs
Perusomula	2 (2)	2	10	12	8	Local
Mikkinenipalli	6 (8)	9	31	40	40	Local + MNCs
Allur	6 (8)	11	21	32	45	Local + MNCs
Suddamalla	10 (14)	13	41	54	81	Local + MNCs
Guldurthy	10 (10)	12	40	52	51	Local + MNCs
Madumalakurthy	2 (5)	4	40	44	10	Local
Lingaladinne	2 (4)	5	27	32	12	Local
Khatrik	2 (2)	10	28	38	10	Local + MNCs
Halwi	5 (9)	15	55	70	28	Local
Nadichagi	5 (12)	20	78	98	30	Local
Salarnagar	2 (6)	10	40	50	12	Local
Vennichedu	2 (5)	4	34	38	14	Local
Reddipalli	2 (4)	6	24	30	12	Local
Komireddyipalli	2 (4)	5	27	32	12	Local
Jangareddygudam	1 (7)	6	42	48	35	Local
L.N. Peta	1 (10)	8	36	44	68	Local
	174 (264)	376	1180	1556	1153	

Note: Local seed companies involved in cottonseed production activity in the survey villages are Nuziveedu Seeds, J.K. Seeds, Ankur Seeds, Swagath, Nandi Seeds, Palamur Seeds, Tulasi Seeds, Nagarjuna Seeds and Vikki Agro Tech. Multinational seed companies are Emergent Group of companies (Paras Extra Growth Seeds - jointly owned by Hindustan Lever Limited and Emergent Genetics - and Mahendra hybrids) Mahyco-Monsanto, Advanta and Proagro.

Table 4: Details of workforce composition in cottonseed farms producing seed for MNCs during 2003-04

Name of the village	No. of farms (area in acres)	Workforce composition				
		Girls	Boys	Total children	Total adults	total workers
Maddalabanda	1 (1)	3	2	5	4	9
Maldakal	1 (1)	3	3	6	4	10
Uligepalli	2 (2)	9	2	11	9	20
Vitalapuram	1 (1)	4	1	5	5	10
Takikunta	1 (1)	3	3	6	4	10
Amaravai	2 (2)	7	3	10	10	20
Mallamdoddi	1 (1)	3	1	4	5	9
Marlabeedu	4 (5)	20	7	27	22	49
Erikachedu	3 (2.5)	12	3	15	11	26
Rayalampadu	3 (2.5)	11	4	15	13	28
Alvakonda	7 (7.5)	33	13	46	33	79
Akumalla	1 (1)	3	1	4	5	9
Mikkinenipalli	2 (4)	15	5	20	20	40
Allur	2 (3)	8	5	13	17	30
Suddamalla	7(9)	28	9	37	49	86
Guldurthy	5 (4.5)	17	6	23	24	47
Khatrik	1 (2)	17	8	25	1	26
	44 (50)	196	76	272	236	508

2.3 Overall decline in production area and total number of child labourers

Since 2001 there has been an overall decline in the total area under cottonseed production as well as total number of children employed in this sector in Andhra Pradesh. The total production area decreased from 24,870 acres in 2000-01 to 14,000 acres in 2003-04. The production area covered by MNCs also decreased from nearly 5,350 acres to 2,250 acres during this period. The multinational seed companies involved in cottonseed business in 2000-01 are Unilever, Monsanto, Bayer, Syngenta, Advanta and Emergent Genetics. In 2003-04, all MNCs except Syngenta²⁸ were engaged in cottonseed production activity in Andhra Pradesh. Hindustan Lever Limited, an Indian subsidiary of Unilever, sold the major part of its cottonseed business in India to Emergent Genetics in 2002. They plan to sell the rest of their shares - presently still at 26% - in 2005.

The main reasons for decline are severe drought in many parts of the state as well as in the country and decision taken by some companies to slowly relocate their production base from AP to other states like Gujarat and Karnataka.

During the last two years, many parts of the country witnessed a severe drought, which has adversely affected agricultural production including cotton crop production in the country. Due to severe drought the area under commercial cotton production has declined resulting in the decline of market for hybrid cottonseeds. Several companies had carry-forward-stocks with them and were forced to reduce their production area. Drought situation has also effected cottonseed production. In some areas due to water scarcity, farmers have either completely stopped or reduced their acreage cultivated under cottonseed production. Another reason is the relocation of the production base from AP to other states. The growing media attention and interventions by the government and other agencies against employment of child labour in the state are partly responsible for some seed companies taking a decision to slowly relocate their seed production base to other states like Gujarat and Karnataka where child labour issue has not yet received much attention. This is reflected in significant rise in the total area under cottonseed production in Gujarat and some pockets of Karnataka.²⁹

Table 5: Trends in employment of child labour in hybrid cottonseed farms producing seed for local companies and MNCs in Andhra Pradesh

Year	Total area under cottonseed production (acres)			Total number of children employed in cottonseed farms		
	Local Companies	MNCs	Total	Local Companies	MNCs	Total
2000-01	19433	5350	24783	194330	53500	247830
2003-04	11750	2250	14000	70500	12375	82875

Note: The estimates of total number of children employed in cottonseed farms for 2000-01 year are taken from the author's previous study conducted for ICN. The estimates of total number of child labourers in cottonseed production for 2000-01 were calculated on the basis of total area under cottonseed production, per acre average requirement of labour and proportion of child labour to total work force. A similar methodology was followed for estimating the total number of child labourers for 2003-04. For estimating the per acre average number of labourers employed in cottonseed farms and children's proportion to total workforce, a detailed survey of 174 cottonseed farms in 38 villages in 10 mandals in four districts was undertaken. On average six children in the farms producing seed for local companies and in the case of MNCs 5.5 children were employed in one acre cottonseed farm. Based upon these estimates the study computes the absolute number of child labourers engaged in cottonseed farms in Andhra Pradesh for 2003-2004.

Table 6: Company wise break up of approximate number of children employed in cottonseed farms producing seed for MNCs in Andhra Pradesh during 2000-01 and 2003-04

Name of MNC	Indian subsidiary/joint venture	Total number of children employed in cottonseed farms	
		2000-01	2003-04
Bayer (Germany)	Proagro	2000	1650
Advanta BV (The Netherlands)	Advanta India	3000	1375
Emergent Genetics (USA) Unilever (The Netherlands)*	Mahendra Hybrids, Paras Extra Growth Seeds Hindustan Lever Limited	25000	4950
Monsanto (USA)	Mahyco Mahyco-Monsanto Biotech Ltd	17000	4400
Syngenta AG (Switzerland)	Syngenta India	6500	No production**
		53500	12375

Note: same as table 4.

Compared to 2000-01, except Proagro, the production area covered by all other MNCs decreased in 2003-04. The total production area covered by Proagro increased from 200 acres in 2000-01 to 300 acres in 2003-04.

*Hindustan Lever Limited, an Indian subsidiary of Unilever, sold the major part of its seed business to Emergent Genetics in 2002. Paras Extra Growth Seeds is a joint venture company started by HLL and Emergent Genetics in 2002. HLL currently holds 26% of share in this company. It is planning to sell away this 26% also to Emergent Genetics by 2005.

** Syngenta did not carry any cottonseed production in AP during 2003-04 citing business reasons. However, it resumed its production in AP in an extent of 300 acres during 2004-05.

The trends in employment of child labour in cottonseed farms also indicate a significant decline since 2000-01. The total number of children employed in cottonseed farms declined from 247,800 in 2000-01 to 82,875 in 2003-04. The total number of children employed in the farms producing seed for MNCs reduced from 53,500 to 12,375 during this period (table 6). As shown in the table 4 much of the decline is due to reduction in total area under cottonseed production in the state. The total area under cottonseed production declined by 43.5% (from 24,780 to 14,000 acres) in the entire state. For MNCs the decline in area is about 58% (5,350 to 2,250) during 2000-01 and 2003-04. In quantitative terms nearly 65% of the decline in use of child labour in cottonseed farms regarding the entire state and 75% in the case of MNCs can be attributed directly to the reduction in the total cultivated area. The remaining 35% for the entire state and 25% in the case of MNCs, can be attributed to changes in workforce composition (decline in proportion of child labour to total workforce)³⁰. This change in workforce composition is the result of the cumulative impact of various interventions initiated by different agencies against child labour in the state. It is important to note that the decline in number of child labourers on account of reduction in area is a temporary phenomena largely affected by severe drought. Once the weather situation improves, the area under production might increase again. The number of child labourers also might increase unless appropriate steps are initiated to stop the employment of children at the field level.

SECTION – III

CURRENT SITUATION

The estimates of total number child labourers and their working conditions in cottonseed production in the state presented in the previous section are related to the 2003-04 crop season. Various developments have taken place since January 2004, which have a bearing on the child labour situation in cottonseed production in the current crop season, 2004-05, which has just begun. Cross-pollination activity where children are employed on large-scale began in the month of June in a few areas and in August in other areas. A brief field visit was undertaken in the month of August 2004 to some of the villages surveyed during 2003 to assess the current situation of child labour in cottonseed farms in the state.

It is too early to make any estimates about the number of children involved in cottonseed production for the current 2004-2005 season because in some areas the cross pollination work just started and in the initial period the requirement of labour is less. The situation in the areas where cross pollination work has begun in the month of June itself and the initial trends in other areas, however, indicates that the situation is not going to be significantly different compared to the last crop season **unless serious efforts are made to stop the employment of children at the field level**. In most of the areas where resurvey was conducted in August 2004, the situation has not improved much. The area under cottonseed production slightly increased this year (about 2,000 acres in the entire state). Several MNCs have also increased their production area this year³¹.

The situation is slightly better in some parts of Kurnool district (mainly in Nandhyala division) and Mahaboobnagar district (Gadwal division) where an active campaign by the MV Foundation and other NGOs, as well as the Association Seed Industry in some pockets, is going on. Since January 2004, MV Foundation has taken up a district-wide campaign against child labour. The issue of child labour in cottonseed production has received special attention in this campaign because there is a high concentration of cottonseed production in this district. Since January 2004, ASI has also taken up a number of initiatives to motivate the seed organisers and farmers against the practices of employing children through meetings, appealing through posters, pamphlets, print and electronic media, offering incentives to the villages which do not employ children in seed production activities, taking oral and written commitments from farmers at the time of making contracts with them.

The current crop season began with a death of a 13 years old boy, Mallesh, on June 29, 2004, due to pesticide exposure in a Dudekonda village in Kurnool district. Mallesh was employed as a bonded labourer and apart from doing other operations on the cottonseed farm of his employer, he was also entrusted with the task of spraying pesticides on the field³². Indiscriminate use of chemical pesticides in cottonseed cultivation is going on unabated and it is causing a lot of health problems to the children working in the fields, who are directly exposed to pesticides, such as during the cross-pollination work. Children stand in the fields of cotton plants, which reach up to their shoulders, and they bend over them as they identify flowers ready for

pollination. The elder boys are also occasionally entrusted the task of actual pesticide spraying work. In the course of doing these works, the children are exposed to pesticides for prolonged hours in a day.

Mallesh's death resulting from exposure to pesticides is not the first of its kind; several children have fallen victim in the last few years. Unfortunately, these kinds of incidents generally go unreported. The MV Foundation is currently gathering information about the number of children who have died due to pesticide exposures in Kurnool district during last few years.

The recent elections and change of government in the state had some negative impact and has slowed down the ongoing efforts of the government to eliminate the child labour in the state. The new Congress government which came to power in May 2004, defeating the Telugu Desam Party which ruled the state since 1994, has not yet made its stand clear on various initiatives undertaken by the earlier government on the child labour issue. Child labour is not on the priority list of the government.

The issue of farmers' suicides in the state recently got wide-spread attention. Since 1997 a large number of farmers, mostly cotton farmers, have committed suicides due to financial distress caused by consecutive failure of crops. Around 300 farmers have committed suicides since the new government came into power in May 2004³³. The cotton farmers who have committed suicide are poor farmers who grow commercial cotton and not the farmers who grow cottonseed. The problems of commercial cotton growers are structurally different from cottonseed growers. The new government has initiated series of measures to help the farmers in the state. A six months moratorium on repayment of private loans taken by farmers, free power supply to the agricultural pump sets, compensation to the families where persons committed suicide, rescheduling of bank loans were announced. Cottonseed farmers in some places are taking advantage of the issue of farmers suicides and new government's farmer friendly attitude to hide their irregularities. They are even going to the extent of threatening the local authorities who came to inspect their fields stating that they are in deep financial trouble and if they book cases against them for violating child labour norm they will not have any alternative than committing suicide. Local politicians are also putting pressure on authorities not to book any cases against farmers on child labour issue.

NOTES AND REFERENCES

¹ Venkateswarlu, D. (2001) 'Seeds of Bondage: Female Child Bonded Labour in Hybrid Cottonseed Production in Andhra Pradesh', Business and Community Foundation and Plan International (India Chapter). The full text of the report is available on the website of ICN: <http://www.indianet.nl/sob.html>.

² Venkateswarlu, D. (2003) 'Child Labour and Transitional Seed Companies in Hybrid Cottonseed Production in Andhra Pradesh', India Committee of the Netherlands, The Netherlands (for full text, see ICN website: <http://www.indianet.nl/cotseed.html>).

³ The names of the Indian subsidiary or joint venture companies of these MNCs are Hindustan Lever Limited (for Unilever), Syngenta India (for Syngenta AG), Advanta India (for Advanta BV), Monsanto India and Mahyco (for Monsanto) and Proagro (for Bayer). HLL transferred its seed business to a new company called Paras Extra Growth Seed and sold 74% of its stake in this new company in March 2002 to an American based seed company called Emergent Genetics.

⁴ Out of 130 farms, 118 produce seed for these local companies and the remaining 12 for the unorganised sector (individual seed marketers who do not own any company).

⁵ With regard to these four farms the farmers were not very co-operative in revealing the names of the companies. But they told the names of the seed organisers. These seed organisers produce seed for more than one MNC. Hence the difficulty raised to link these four farms to a specific MNC.

⁶ Eight farms either discontinued their production for MNCs or shifted to local companies in 2003-04; four were producing seed for HLL, three for Syngenta and one for Proagro in 2001-02.

⁷ 'Primary Education: Rising Literacy Levels', advertisement feature on Andhra Pradesh Government Perspective on different sectors published in Economic and Political Weekly, March 22-29, 2003.

⁸ The decline of number of child labourers in seed processing units is partly due to mechanisation. Some seed processing units situated in and around Boothpur and Kurnool towns have mechanised some of the operations that involved manual labour.

⁹ The Seedsmen Association developed a model clause against the use of child labour in seed production activities and requested all its member companies to incorporate it in their written agreements with seed organisers/seed farmers.

¹⁰ Progress report on 'Action programme on elimination of girl child labour in Mahaboobnagar (ILO-IPEC Project)', National Child Labour Programme, Mahaboobnagar, September 2003.

¹¹ Two of these organisations (SPEED and Sramika Vikas Kendram) are partners in ILO-IPEC programme special project on girl child labour in Mahaboobnagar district.

¹² The first study on the issue of child labour in cottonseed production was commissioned and published by MV Foundation in 1998.

¹³ The issue of child labour was one of the agenda items discussed by the members of Seedsmen Association, Andhra Pradesh during their Annual General Body Meeting in 1999. When the issue came for discussion, several companies expressed their opinion that companies cannot be held responsible for the actions of seed farmers. They have also expressed their concern about the increasing criticism on seed industries from local NGOs, activists and labour department officials for employing child labour.

¹⁴ For details of initial responses of various companies, see the ICN report on 'Child Labour and Trans-National Seed Companies in Hybrid Cottonseed Production in Andhra Pradesh'.

¹⁵ Some members of ASI are also members of Seedsman Association of Andhra Pradesh. Seedsman Association is a large body having membership of about 500 seed producers and organizers. Though Seedsman Association took up the issue of child labour in 2001 itself it could not make much progress. The large companies like Mahyco, Proagro, Advanta, Emergent Genetics, Syngenta and Ankur, who are both members of Seedsman Association and Association of Seed Industry in 2003 felt that focused attention on child labour issue can not be achieved through big organizations like Seedman Association and decided to launch a separate initiative through Association of Seed Industry.

¹⁶ Out of 14000 acres under cottonseed production in Andhra Pradesh during 2003-04, 27% is controlled by ASI members. Non ASI companies like Nuziveedu, Tulasi, Pravardha seeds, Palamur seeds, Amereswara Agri tech, Vibha, Gangakaveri, Prudhvi Agrotech, Swagat seeds, Nandi seeds, Maurya seeds account for nearly 50% of the area and remaining is controlled by unorganized sector. During last two years the area covered by unorganized sector has increased. This is due to increasing area under illegal production of BT cottonseed in the state. The huge profit margins in illegal BT cottonseed production has encouraged several unorganized sector players to enter into this business. According to ASI the unorganized sector account for nearly 45% area under cottonseed production in Andhra Pradesh. The difference in estimates between ASI and present study is due to definitional problem. ASI included small and even some medium size companies like Parvardhna seeds, Nandi seeds and Tulasi seeds also under unorganized sector. The present study do not consider these companies under unorganized sector because these companies are well organized and have a significant control over production area.

¹⁷ Minutes of Annual General Body Meeting of the Association of Seed Industry, September 2003.

¹⁸ ASI initially (September 7 and December 13, 2003 meetings) agreed to share the information related lists of farmers with whom they enter the production agreements. After repeated requests from MV Foundation in April 2004 ASI informed that because of business reasons they can not share the names of farmers. However, they will provide the lists of villages and seed organisers. In July 2004, Emergent Genetics, Proagro and Syngenta have shared the list of villages with MV Foundation.

¹⁹ The first week of December is not a right time to conduct field verifications. This is the fag end of the season and the requirement of labour will comedown by more than 60% during period. Due to pressure from various quarters farmers in several places are hiding children during the visits by outsiders to their farms. In this situation on-farm observations alone will not be sufficient to find the real situation. On-farm observations have to be supplemented with other sources of data collected from the reliable local persons. Unless there is co-operation from local villagers it is some time hard to find out exact situation. Whether company field staff has cross checked their field observations with other sources data is not known.

²⁰ The Fair Labor Association (FLA) is a US based independent monitoring organisation working towards promotion of fair and decent labour standards. It conducts independent external monitoring and verification of labour standards in the work sites and supply chain for those companies/organisations that approach it and publishes results on its website (<http://www.fairlabor.org>).

²¹ In statement issued on August 5, 2004, FLA stated it is accepting the Syngenta's application to become a participating company in FLA and as agriculture is a new sector to them and it sees this as a pilot program to test the applicability of the FLA monitoring methodology in the agricultural sector. By becoming a participating company in FLA, Syngenta Seeds like other FLA Participating Companies will be expected to develop and implement an internal monitoring plan, including the training of internal monitors and consultations with local NGOs (including, especially, the MV Foundation, an Indian NGO that works to abolish child labor through village-level capacity building programs). Syngenta will also be required to promote code awareness among agents, farmers, and local stakeholders, and submit lists of suppliers from which the FLA can determine a schedule of unannounced monitoring visits by accredited independent external monitors.

²² 'Syngenta opens up to independent scrutiny', The Financial Times, May 12, 2004.

²³ Personal communication with Martine Cumbamale, the representative of FLA (September 5, 2004).

²⁴ It is true that in the initial stage ASI needed some time to make proper planning and pull all the stakeholders together for effective implementation of the action plans. But the time taken was too long, and as a consequence, ASI lost the opportunity to make any significant positive impact on the child labour situation during the 2003 crop season.

²⁵ Compared to other areas the wage rates paid to labourers working in cottonseed farms are higher in Nandhyala. In Nandhyala wage rates are calculated on monthly basis. During 2003-04 the monthly wage rate paid to labourers varied between Rs 800 to Rs 1200 (for 12 to 13 hours of work per day) depending upon their age and experience. Compared to the daily wage rate of Rs 20 (for 9 to 10 hours of work per day) prevalent in several other pockets this is relatively better. There is high concentration of seed production activity in Nandhyala division and the available child labour force in the area is not sufficient to meet the labour requirement. Hence farmers were under pressure to recruit some adult labourers by increasing wage rates even if that means cutting into their profit margins. Most of the adult labourers who are involved in seed production activity in this area are either family labour or those desperately looking for some secured employment (about 100 to 120 days continuous employment is guaranteed in cottonseed production) even accepting less than market wages.

²⁶ MV Foundation in Dharur, SPEED in Maldakal, SHEC Society in Koilakuntla and Sanjamala are actively involved in campaign against child labour. Maldakal is one of the mandal selected by ILO-IPEC for implementing a special project to address the problem of child labour in cottonseed production. Since January 2004 the MV Foundation has taken up a massive campaign in most of the mandals in Kurnool district.

²⁷ A total of 22 farms were surveyed in 2001-02 by ICN study. Out of 22 farms which were producing seed for MNCs in 2001-02, only 14 farms continued their production for MNCs in 2003-04. Four farms have completely stopped production of cottonseeds and four have shifted from MNCs to local companies. The 14 farms which continued their production for MNCs (eight for Emergent Genetics, three for Mahyco-Monsanto, two for Advanta and one for Proagro).

²⁸ Syngenta has declared crop holiday for its cottonseed production activity during 2003-04 in Andhra Pradesh. It continued its production activity in other states on a small scale. The reasons cited by the company are business related i.e. carry over stocks from earlier years and low profits rates in production and marketing of public hybrids. However, the timing of their decision gives scope for attributing other reasons like child labour issue also to their decision. In the light of child labour controversy in cottonseed production Syngenta might have thought to take a break to streamline their internal monitoring mechanisms. During 2004-05 crop season Syngenta resumed its production activities in Andhra Pradesh.

²⁹ Nuziveedu Seeds, the largest cottonseed producing company in India, has recently reduced its production area in Andhra Pradesh and simultaneously increased its area under production in Gujarat. Several Gujarat based companies which earlier depended mostly on Andhra Pradesh for production of cottonseeds now shifted much of the area to their own state.

³⁰ During 2000-01 and 2003-04 the total number of children employed in cottonseed farms declined by 164,955 (from 247,830 in 2000-01 to 82,875 in 2003-04). The total area declined during this period with 10,783 acres. During 2000-01 an average 10 children were employed in one acre of cottonseed farm. Assuming that the decline in each acre of production results in decline of 10 child labourers, the decline of child labourers on account of 10,783 acres is estimated at 107,830 (10783 x 10). This is equivalent to nearly 60% of the total decline of child labourers (164,955).

³¹ In the current crop season Emergent Genetics has cottonseed production programme on 1200 acres (900 acres last year), and Bayer on 400 acres (350 last year). Syngenta, which did not have any cottonseed production programme last year, has a production programme on about 300 acres during the current season.

³² Though the farm, on which the boy Mallesh died while spraying pesticide was not contracted by any national or multinational seed company the pesticide spraying practices do not significantly vary from one farm to another farm and children are at risk every where irrespective of farms whether they produce seed for multinational or national or local companies.

³³ For more details about recent suicide deaths of farmers in Andhra Pradesh see a series of articles published by P. Sainath, a noted journalist, in the daily newspaper 'The Hindu' during June and August 2004. A collection of these articles is available on the website of India Together (<http://www.indiatogether.org/2004/jun/psa-farmdie.htm>).