

Guideline for Preventing Child Labour, Managing Employment of Juvenile Workers, Third Party Relationship and Case Study

Managing Recruitment Process to Prevent Child Labour

Factories should have HR management systems in place, including: internal policies and procedures to prevent child labour, ensure protections for juvenile workers, and to respond to violations when they occur. The systems/policies should cover both the factory's internal hiring and employment, and any third-party relationship that provides similar services to a factory (e.g. third party temp/staffing/HR agency).

Factories should have a clear policy outlining their minimum age for hiring, procedures for hiring with clear steps outlining their age verification process, organization of employees' personal files, and regular monitoring to ensure the successful implementation of the policy and procedure. All hiring processes should be solely managed and handled by the factory's HR department.

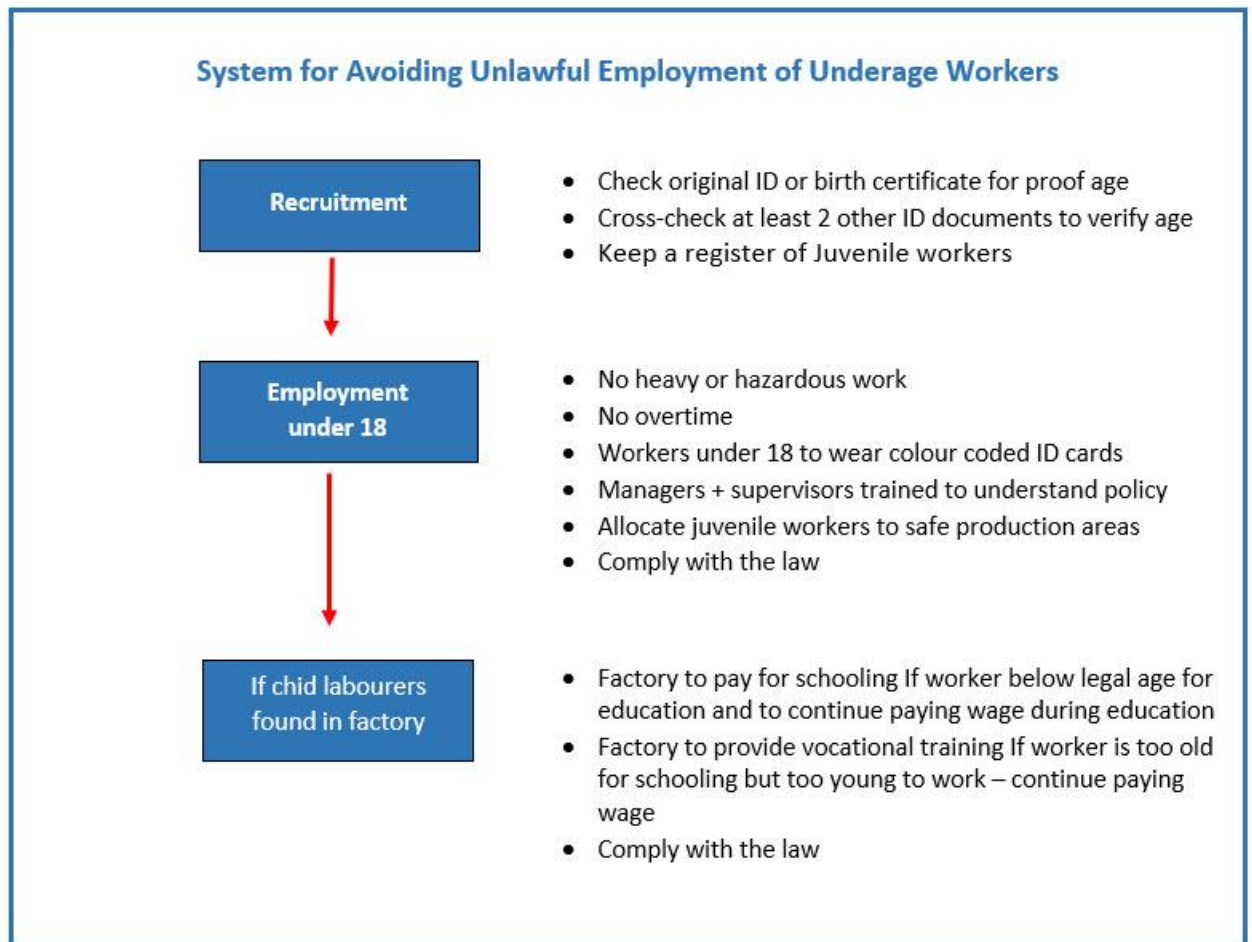
Following are the basic steps for establishing an age-verification process:

- ✓ Check the minimum age requirements where the factory is located. If the minimum age is higher than 15 this is the minimum age standard for adidas. In all other cases, the minimum age is 15.
- ✓ Develop No Child Labour Policy that defines minimum age for hiring, accordingly.
- ✓ Establish a system for verifying the age of new job applicants/recruits. In the case of workers who are obviously older, one official ID document is sufficient. For all other workers, it may be necessary to cross-reference two or three different documents (e.g. official government issued IDs, birth certificates, driver's license, passports, education certificates).
- ✓ In a country or region where fake IDs are common, factories should establish a mechanism to spot fake IDs. If an ID or age documentation appears false and cannot be sufficiently cross-referenced to establish the correct age of the job applicant, the applicant should not be hired.
- ✓ In a country where official age proof documents are not available (e.g. ID card, birth certificate), factory should consult with local government for their input about acceptable alternative documentation/systems to verify the age of an applicant/recruit.
- ✓ Take photocopies of all documentation which establishes proof of age and include it within the applicant/recruit's file (and then transfer it to their employee file, if they're hired).

Factory Document Checklist

- ✓ Birth Certificates
- ✓ National or Official ID Cards
- ✓ Education Certificates (such as school graduation certificates)
- ✓ Social Security Registration
- ✓ Residence Permits/Cards
- ✓ Work Visas
- ✓ Voter Registration Cards
- ✓ Juvenile Worker Registration Cards
- ✓ Driver's License
- ✓ Passports
- ✓ Annual Health Check Cards
- ✓ Juvenile Worker Register (maintained by Personnel)
- ✓ Child Labour Policy
- ✓ Internal factory policy of managing/maintaining child-care facility
- ✓ Child and Juvenile management system (e.g. policies and procedures, records)

- ✓ Training records related to Child Labour Standards
- ✓ Local laws/regulations related to Child Labour Standards, e.g. on childcare facility



Handling cases of child labour

In cases where child labour is discovered, regardless of whether the factory actively recruited under-age workers or it was done as the result of administrative negligence or error, the factory needs to understand what is in the best interests of the children concerned. Dealing with child labour is an extremely complex matter, and the solutions required will vary from factory to factory and depending on the circumstances.

Immediate steps to be taken include:

- Immediately remove the children from the production areas to a safe place within the factory and ensure that they do not 'disappear' while possible solutions are being discussed. Provide them with necessary accommodation, food and care until a suitable solution is identified.
- Clarify the identity and age of the children. Try and contact their parents, guardians or relatives to inform them of the situation and seek their assistance and input. Consult with them about:

- the circumstances of the child and the family, and why they sought work within the factory, initially,
- any educational opportunities, which exist both within and outside factory and their preference for the schooling arrangement,
- whether any other family member can be hired while the child completes their education.
- In addition to the schooling, factory can provide further support such as:
 - Providing classes to prepare for transitional schools for children who have fallen behind their peer group;
 - Offering vocational training program;
 - Provide financial support such as credit or income generating activities for parents and family member with legal working age
- Depending on the scale and nature of the problem, involve the local labour authorities. It is critical to notify the local labour bureau and seek their immediate assistance/involvement.
- Meet with buyers and any business partners, such as suppliers of materials and/or subcontractors to explain the situation and seek their assistance.
- Seek experts' help in the development and implementation of solutions. There are several international agencies and NGOs with experience in managing child labour and developing intervention programmes that will both service the factory's needs and do what is in the best interests of the children involved.

In the medium term:

- Completely review the recruitment and personnel practices to identify and remedy those procedures or lack of procedures which resulted in the hiring of under-age workers.
- Build a remediation network – including local experts, trade unions and/or factory committees, government and non-government organisations and resources, health professionals, buyers – to assist in the development of the remediation programme.
- Consider the education requirements of the children; the availability of schooling and/or vocational training in the area; the possibility of hiring other members of the child's family and/or hiring back the children once they are legally employable (e.g. as juvenile workers).
- Analyse how the monitoring of any intervention programme can be designed and managed.
- Be prepared to take responsibility, which may involve considerable cost.

Childcare Facilities

- ✓ The workforce at supplier factories are mostly female and, in many cases, migrant workers. Childcare is a major concern for workers. Many workers are separated from their children and are forced to leave them in the care of relatives. Alternatively, workers bear the cost of childcare which can be a significant burden for workers who are paid a minimum wage. In cases where the supplier provides childcare facilities, workers and their families receive a direct benefit.
- ✓ Suppliers must identify, first, whether there are any legal requirements for establishing and managing an on-site childcare facility. If there are no legal requirements to establish a childcare facility, then the factory may consider establishing childcare facilities as a best practice.
- ✓ Where there is no local laws or regulations governing the establishment and management of childcare facilities, the supplier must develop a plan for adequately managing, staffing and administering the facility.

- ✓ Factory management should consider the following: insurance coverage, legal liability, maintenance of the facility, management and supervision of the facility, qualifications of the childcare workers, emergency preparedness, parental access.
- ✓ A childcare facility must be adequately separated from the production areas of the factory to ensure that children are not exposed to any health and/or safety risks. The supplier must establish rules regarding use of and access to the facility. The facility should be fully supervised at any time of the operation.

Guideline for Juvenile Worker Employment

- ✓ Where local law allows the recruitment of juveniles, if the supplier refuses to hire a juvenile worker based on his or her age, then the supplier discriminates against that particular worker. In many countries with younger populations or developing economies, young people contribute to the financial support of their families and communities. By hiring juvenile workers, suppliers contribute to the local community and ensure that young people are not forced into other employment or industries harmful to their health and development.
- ✓ Selection of workers must be based on a person's ability to do the job, not on his or her age – with the understanding that the legal minimum age is considered when making employment decisions. This means that the supplier should *only* consider: the skill level, knowledge, relevant job experience and ability of candidates, and not their age. Review the existing hiring policies, procedures and documents, such as job advertisements and application forms, to identify any non-compliance with adidas' discrimination standard.
- ✓ Review the local laws regarding juvenile labour and check for special requirements such as: any legal work permit required their employment, restrictions on their working hours, specific rest or meal time to be provided, any schooling or education facilities required, work position and specific areas considered unsafe for juvenile workers.
- ✓ Juvenile workers should only work within regular hours and should not be allowed to work overtime even if local regulations permit it. Specifically, juvenile workers should not be assigned for night work.
- ✓ Juvenile workers should work in non-hazardous areas of the factory to support their physical, moral integrity, spiritual, and moral development and mental health. The risks from hazardous work will be greater for young workers than the adult workers since they are still developing physically and mentally, and they have lack of work experience and skills. Some local regulations define specific work conditions prohibited for juvenile workers.
The following are examples of hazardous work condition prohibited for juvenile workers:
 - Underground or under water work
 - Work at dangerous heights or within confined spaces
 - Work with dangerous tools or machinery, or involving heavy loads
 - Hazardous or toxic substances
 - Extreme temperatures, noises or vibrations
 - Confinement to the premises of the employer.
- ✓ Where there are no local laws to regulate the employment of juvenile workers, or to provide guidance, consult with the SEA Team regarding information and other resources. Factories are expected to manage juvenile workers in a manner consistent with the basic standards set out in the international laws and in this guideline - for example:

- Implement a tracking system for juvenile workers, i.e. all workers under 18. Personnel should keep a Juvenile Worker Register listing all workers under 18 with their names, dates of birth and current job position.
- Use a visual reference to identify juvenile workers, e.g. a colour coded ID tag. Ensure that supervisors know which workers juveniles are.
- ✓ The health of juvenile workers should be monitored by periodic health checks. Ensure that any periodic health checks required by law are carried out and that the results are kept within employees' files.
- ✓ Provide the same pay levels and access to benefits to juvenile workers that are provided to adult workers doing the same job.
- ✓ Provide the same training and education opportunities to juvenile workers that are provided to adult workers.

Third-Party Relationships

Due to a lack of effective monitoring and management systems, third parties that have contractual agreements with factories, such as subcontractor or outsourcing companies, may operate outside international and legal obligations, including the requirement to prevent child labour and protect juvenile workers.

For these cases, the factory is responsible for:

- ✓ Maintaining an updated listing of third-party facilities such as subcontractor, agent or outsourcing company being used by factory.
- ✓ Establishing a mapping and selection process to conduct risk assessment of the subcontractor based on the reputational impact, key product (core process), % of business volume and probability of compliance risk.
- ✓ Checking the conditions of the subcontractors' businesses or factories before giving them orders or contracting their services.
- ✓ Communicating and discussing with subcontract factories obligations and compliance under the law and adidas standards and ensure that the requirements for preventing child labour and protection for juvenile workers are followed. Reflect this requirement in the contractual agreement with the subcontractor facilities.
- ✓ Establish regular monitoring system to ensure successful implementation.