

2.22 How can RUGMARK system be improved? What is required? What would it cost?

The most obvious improvement of the RUGMARK system would be to bolster the inspection capacity of the scheme. It has already been noted that this is a critical point in the system, since it is the key to claims of child-labour free status, as well as to the certification process which exporters must undergo.

Doubling the present inspection force in India from 12 to 24 members would allow applicants to be certified more quickly, and would improve scrutiny of the loom sites. Recurrent costs for this improved capacity might amount to \$45,000 (U.S.) per annum. Costs for the first year would be roughly \$80,000 (U.S.) to cover the additional capital cost of transportation for inspectors.

2.23 Can RUGMARK mobilize additional resources for children?

Although it is difficult to establish causal relationships, the introduction of RUGMARK and the heightened profile it has given the issue of child labour does appear to have prompted the Indian government to allocate more resources to children. In 1996, the Prime Minister of India announced a large child labour programme to be initiated in 133 districts within the carpet producing belt of Uttar Pradesh and Bihar, with \$280 million (U.S.) to be spent on enforcement of labour statutes, non-formal education, and advocacy of primary schooling.

OBJECTIVE 3

DESCRIBE AND ASSESS THE ACTION AND POLICY IMPLICATIONS OF OPERATING RUGMARK IN CANADA. HOW WOULD IT WORK?

3.1 How could RUGMARK be implemented in Canada?

As with RUGMARK Germany, RUGMARK Canada could function with a staff of two persons. Staff would be responsible for promoting the purchase of child labour free hand-knotted carpets bearing the RUGMARK label among importers, wholesalers, retailers and consumers. This could be accomplished through trade seminars, newsletters and home decor magazines, the distribution of pamphlets and through promotional bites in different media. RUGMARK staff would be expected to liaise with RUGMARK offices in developing and industrialized countries and monitor the importation of carpets bearing the RUGMARK label.

3.2 What are preconditions for making RUGMARK operational in Canada?

The preconditions leading to the development of RUGMARK in Germany, including a major anti-child labour campaign and subsequent decline in Indian hand-knotted carpet sales, have not existed in Canada. Without either of them, it's difficult to predict the initial impact of RUGMARK in Canada.