

OBJECTIVE 4

RECOMMEND WHETHER CANADA SHOULD ADOPT THE RUGMARK LABELLING SCHEME AND, IF YES, THE STEPS REQUIRED TO MAKE IT OPERATIONAL.

4.1 Should RUGMARK become operational in Canada?

This study has provided the opportunity to discuss the strengths of RUGMARK as a regulatory tool. As a means to combat the exploitation of children, RUGMARK is limited and does not offer any comparative advantage for inclusion in Canada's ODA under the rubric of child protection. The following reasons, cited elsewhere in this report, support this view.

1. Bonded labour - as egregious a practice as it is - constitutes a small part of child labour in India. A 1986 Ministry of Labour study put the figure of child labourers in India at 16.6 million, but estimates based on the number of children not attending school are as high as 80 - 90 million. The UNICEF office in India estimates that the number of children working in the carpet industry lies somewhere between 70,000 and 100,000, less than 1% of all child labourers in the country.
2. A carpet-focused consumer campaign could only achieve a small impact on the overall problem of child labour. Figures from India suggest that the great preponderance of child labour takes place outside the carpet industry - even outside of the export sector as a whole. Furthermore, within this small area of child labour, Canada represents a minor market. From a purely child labour standpoint, it would make more sense to focus on a sector like agriculture, which employs far more children.
3. It may be difficult to distinguish genuine family-centred production from small commercial looms which operate with bonded child labour. This difficulty, combined with inaccessibility of looms in more remote areas, makes control of hand-knotted carpet production difficult.
4. Primarily a regulatory device, RUGMARK can do little to promote development directly. The larger problems of rural poverty and patterns of exploitation which give rise to child labour can only be addressed through other means.
5. RUGMARK can offer no absolute guarantee of child-free labour. It relies on a system of random, unannounced inspections to deter its licensees from breaking their undertaking to prohibit the use of children on looms under contract. These measures do not guarantee that the carpet is free of child labour. They only prevent *illegal* child labour in the weaving process.
6. The 'share' of the market held by RUGMARK carpets would need to be high enough that the importers' per-carpet contributions could create a fund for rehabilitation or development activities. On the basis of current Canadian imports of hand-knotted carpets from India, this would represent \$77,250 per annum. On the basis of German carpet volume, it would represent \$3.0 million per annum.