

# BEHIND THE BLING: FORCED AND CHILD LABOUR IN THE GLOBAL JEWELLERY INDUSTRY

The allure of a beautiful piece of jewellery can be hard to resist. But it can quickly lose its sparkle when we learn about some of the labour practices behind this industry.

For the many men, women and children working in small-scale mines and tiny workshops for little or no pay, there is nothing glamorous about gold, silver and sparkling gems.

Throughout the world, there are widespread reports of forced and child labour being used in the mining of jewellery's raw materials. Further down the supply chain, children are used in jewellery production, to cut and polish gem stones, as well as make jewellery.

## Fast facts:

- An estimated 1 million children work in the mining industry worldwide<sup>1</sup>.
- 80-100 million people are estimated to depend on small-scale mining for their livelihood<sup>2</sup>.
- Approximately 12 percent of the world's gold comes from small-scale, artisanal mining<sup>3</sup>.
- Gold is one of the goods most widely produced with forced or child labour<sup>4</sup>.
- Each year \$30 billion worth of stones, including diamonds, pass through Surat – the capital of Gujarat, India – arguably the largest centre for cutting and polishing diamonds<sup>5</sup>.
- Rubies are the most expensive gem per carat. More than 90 percent of the global ruby trade comes from Myanmar<sup>6</sup>, where forced and child labour has been reported<sup>7</sup>.



DON'T TRADE LIVES FACTSHEET



# EXPLOITATION IN MINING OF GEMSTONES AND PRECIOUS METALS

Forced and child labour is reported in the mining of stones and minerals used in jewellery. Child labour is common in the small-scale, or artisanal, mining of precious metals like gold and silver and precious gemstones such as diamonds, rubies, sapphires and jade.

Artisanal miners are not employed by a mining company, but depend on the minerals they find to earn a living. They commonly face labour exploitation – trapped in a cycle of working in poor conditions for little money. Work in the mines is labour intensive, and involves the use of low-tech, often dangerous methods of extraction, without appropriate supervision or safety gear<sup>8, 9</sup>.

In poor, rural areas where other sources of income are scarce, children work in harsh conditions alongside their family – hoping to earn enough money to survive. Families receive little money for the minerals they mine, yet traders and some local government officials can make significant profits.<sup>10</sup>

Labour rights abuses are not exclusive to small-scale mining – there are some reports of rights violations in commercial and state-owned mines too<sup>11, 12, 13</sup>.

## Dangers to child health

Children working in mines are exposed to dangerous conditions, which may be fatal or pose serious risks to their long-term physical and mental development.

As well as the very real risks of dying during rock falls and cave-ins, children working underground in mines or in harsh conditions above the surface<sup>14</sup> face other risks:

- **silicosis** – an occupational lung disease caused by inhalation of crystalline silica dust, characterised by shortness of breath, cough, fever and bluish skin;
- **asphyxiation**;
- **respiratory system damaged** by toxic dusts and chemicals;
- **constant headaches, hearing and sight problems** from excessive noise and vibration, poor ventilation and lighting;

- **joint disorders, muscular and orthopaedic ailments** from carrying loads too heavy for their age<sup>15, 16</sup> or repetitive work;
- **injuries** from flying rock shards or dangerous tools;<sup>17</sup> and
- **nervous system attacked** by the mercury used in gold mining<sup>18, 19</sup> – resulting in neurological conditions leading to tremors, coordination problems, vision impairment, headaches, memory loss and concentration problems<sup>20</sup>.

## Lack of schooling

In addition to impacts on their physical health, children working in remote mining areas often have little chance of receiving a quality education. School access is limited, if not non-existent, in remote mining communities. With their parents earning so little from mining, children often work to help support their families. Older children may be needed to stay at home to care for younger siblings while parents work.

## Vulnerability to trafficking and exploitation

Often, artisanal mining families must travel seasonally to remote locations. Removed from community support and familiar surrounds, they are more easily tricked into exploitative situations. In some cases, children traveling alone may be coerced into, or risk involvement in, trading drugs, alcohol and prostitution to earn additional income – believing it easier than back-breaking mining work<sup>21</sup>. In some cases, young girls in small-scale gold mining areas are known to be subjected to sexual exploitation and abuse<sup>22</sup>.

## What is child labour?

Child labour is work that deprives children of their childhood, their potential and their dignity. It is work that exceeds a minimum number of hours; work that is mentally, physically, socially or morally dangerous and harmful to children; and work that interferes with their schooling<sup>23</sup>.

# WHERE DOES IT OCCUR?

There have been reports of forced or child labour in the jewellery supply chain in following countries:

Angola, Bolivia, Burkina Faso, Central African Republic, Colombia, Democratic Republic of Congo, Ecuador, Ethiopia, Ghana, Guinea, India, Indonesia, Liberia, Madagascar, Mali, Mongolia, Myanmar, Nicaragua, Niger, North Korea, Papua New Guinea, Peru, Philippines, Senegal, Sierra Leone, Suriname, Tanzania, Zambia, Zimbabwe.<sup>24, 25</sup>



**1. Angola** Reports of people being bonded to “patrons”, who help secure them work in small-scale diamond mines and pay their expenses. People are then trapped into this hard labour to repay their debt to the “patron”<sup>26</sup>.

**2. Sierra Leone** Thousands of boys and young men working as miners<sup>27</sup> receive tools and housing, but no pay for their work<sup>28</sup> and must pay off their “debt”.

**3. Côte d’Ivoire (Ivory Coast)** Reports of children being trafficked from neighbouring countries such as Burkina Faso, Guinea and Mali into illegal small-scale gold mines where they are held in slave-like conditions<sup>29</sup>. The children work 10 hour days for little pay, and suffer malnourishment.

**4. Democratic Republic of Congo** Reports of child soldiers being forced to work in mines when they aren’t fighting<sup>30</sup>.

**5. Myanmar** International trade sanctions were placed on Myanmar after reports that its mining industry, supported by the military government, relied on forced, child and trafficked labour<sup>31</sup>. This led to international trade sanctions being placed on the sale of rubies and jade from the country<sup>32</sup>. However, reports of industry abuses – including forced labour – continue<sup>33</sup>.

**6. Bolivia** Reports of young boys squeezing themselves down silver and gold mine shafts too narrow for adult miners<sup>34</sup>.

# WHAT'S WORTH MORE THAN GOLD?

Jestoni was a child labourer in a small-scale gold mine in Mindanao Province, in the Philippines. His days were spent shovelling mud and bending over a large pan to search for tiny pieces of gold.

Along with his father and six older brothers, Jestoni carried heavy loads of rocks from the mine. "I used to complain of body pains due to heavy loads," he remembers.

His parents were aware of the risks to their children – landslides, falling rocks, exposure to mercury, as well as the physically hard labour. But when floods kept damaging their crops, they had little choice but to send Jestoni to the mine instead of school.

Every day he worked to earn \$4 – enough to help the family get by. This could take him eight to 12 hours a day – sometimes more.

Jestoni remembers the day a landslide struck the mine, threatening his life.

"I ran as quickly as I could. I felt so miserable, and then I realised I didn't like what I was doing. I just wanted to go back to school," he said.

World Vision's child sponsorship programs have helped Jestoni – and other child labourers in his community – to go back to school and avoid the hazards of the mines. He now thankfully jokes, "Nothing can replace the importance of an education, even the most expensive thing in the world!"



World Vision sponsored child Jestoni used to labour in a small-scale mine.

*Photo: Crislyn Joy A. Felisilda/World Vision*

# THE JEWELLERY SUPPLY CHAIN

## Trading houses/ brokers

Buy the raw products from miners and trade them in larger quantities. Reports exist of children under the legal working age being used as gemstone brokers.<sup>38</sup>

**Mines** Where the precious metals and gems are extracted. There are reports of forced and child labour and other human rights abuses in mining around the world.<sup>35, 36, 37</sup>

**Exporters** Buy the desired quantities and export the products to overseas markets.

**Transit countries** Exporters transport gems and minerals using neighbouring country infrastructure, which can hide where the product originated from.



## Metal refiners

Minerals are refined into precious metals, such as gold and silver, by processing companies.

## Gem cutting/polishing

Gemstones are transported to "middle men" countries where child labourers are widely reported to work in hazardous conditions, cutting and polishing the gems.

**Refined metals/gem trade** Refined precious metals and the prepared gems are traded on the international market. They may change hands many times and may be transported all over the world.



**Manufacturing** At this stage, precious gems and metals, as well as synthetic gems, are made into jewellery. Reports of child labour at this stage have been made.<sup>39</sup>

## Jewellery retailers

Store owners buy the final product either direct from manufacturers, or via distributors, and sell on to the public.

NOTE: The jewellery supply chain can differ from company to company. In some cases, companies have oversight over several stages of the process. Other companies outsource these different stages to external partners so retailers may have no knowledge of how their goods were produced. Metals and gems can also be traded and exported many times before they end up in retail jewellery stores.

# JEWELLERY MAKING, GEM CUTTING AND POLISHING

Crafting gems and jewellery into fine pieces for the commercial market is a process also tainted by exploitation. Children in India may be forced to toil for long hours:

- flattening pieces of silver with hammers to be adorned with gems;
- cutting links of silver and hooking them together into chains;
- welding on adornments or fasteners<sup>40</sup>; or
- cutting and polishing gemstones<sup>41</sup>.

The children sustain injuries working with the sharp, hot and often heavy equipment. Painful

cuts to the hands are common from using sharp equipment or from pushing stones against sanding machines with bare fingers.

The detail required makes children vulnerable to eye strain and headaches. Their hand bones are still growing and may be deformed by the repetitive tasks. They are often exposed to toxic chemicals, such as silica dust from the gems, which cause lung disorders such as silicosis<sup>42</sup>.

## When childhood loses its sparkle

For much of her childhood, Taranna spent 12 hours every day polishing gemstones. Like many others in the slum in Jaipur, India, she had few choices but to help provide for her family. The little her father earned was spent on asthma medication, so Taranna endured the tiring and painful work – at the expense of her health and education.

With assistance from World Vision, Taranna has been able to reduce her working hours – so that she can go to school and support her family.

Both Taranna and her mother understand the importance of education. “It is easy for people to tell me to stop my daughter from working, but you see the poverty in my home – I can’t afford to let her go totally, though I want to,” her mother admits.

At 14, Taranna spends her spare time leading the World Vision-supported children’s club in her slum. She is passionate about involving other children and their parents, so they understand the importance of a good education and the issues affecting the vulnerable children in the slum. Her dream for the future is “to see every child in the slum read and write well”.

Taranna chairing a children’s club meeting in her slum

Photo: Kit Shangpliang/World Vision



# TOWARDS A SOLUTION

## Certification and international standards

In 2010, the world's first independent certification for gold was established, guaranteeing a fair price and fair labour standards for artisanal miners<sup>43</sup>. Organisations like Fairtrade and Fairmined conduct audits of supply chains to assess and certify the ethical standards of that product. Certification provides consumers with an assurance against the use of exploitation in the product.

**Publish What You Pay**<sup>44</sup> and groups like it have channelled public and civil society pressure to encourage social, environmental and economic transparency within the resources industry.

**The International Council for Minerals and Metals**<sup>45</sup> is an industry-led body established to improve sustainable development performance within the sector. This is supported by a range of other business-to-business and collaborative initiatives,

such as the UN Guiding Principles on Business and Human Rights<sup>46</sup> and the OECD Guidelines.<sup>47</sup>

**The Extractive Industry Transparency Initiative** is another multi-stakeholder coalition of governments, businesses and civil society groups that set a standard of transparency for countries to publish profits received for their natural resources<sup>48</sup>. Since 2002, 37 countries have signed up to this voluntary standard. Whilst in its infancy, this is a crucial step in showcasing countries that are willing to work towards achieving best practice standards.

A number of these initiatives have been criticised for being tokenistic. Although they alone will not address root causes, these schemes can influence better business practice in the future. This can in turn help eradicate human rights abuses from large mines. However, the initiatives are not designed to address problems in the artisanal mining sector, where exploitation is rife.

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## Government responsibility

National governments are responsible for the protection of children and other vulnerable workers from exploitative labour practices. In reality, many countries where this exploitation is found do not have the governance structures or social support systems in place to protect people from abuse.

Long-term community development is needed to address this. Non-government organisations and community groups can help poor families avoid the use of child labour by encouraging diverse income sources and improving educational opportunities for children. These groups also provide invaluable support for the reintegration of survivors of exploitative labour practices into their communities.

International governments have a responsibility to ensure their business operations respect human rights. The Australian Government endorsed the Voluntary Principles on Security and Human Rights<sup>49</sup> in late 2012; a welcome move to reduce the risk of Australian mining companies contributing to human rights abuses when operating overseas.

The Australian Government must be vigilant and ensure all Australian businesses uphold the highest social responsibility standards when operating in industries and countries where there is any risk of forced, child and trafficked labour.

## Business responsibility

Companies must ensure all suppliers and contractors adhere to labour standards that help improve conditions for workers contributing to their final product – from mine, to factory to shop shelf.

All jewellery retailers and manufacturers should provide transparent reporting on where their products' minerals were mined, processed and crafted. The adoption of ethical certification and other industry standards is a good starting point. Consumers must be reassured they are not indirectly supporting forced, child or trafficked labour.

## Boycotts and sanctions

International boycotts and sanctions have at times been adopted. While these may be designed to put pressure on leadership to improve conditions, the reality can be an increased struggle for subsistence miners. This highlights the need for a holistic approach, that provides alternative income generation opportunities and helps reduce the poverty that causes people to labour in these poor conditions.

# WHAT CAN I DO?

Make sure all your jewellery sparkles! Before you buy, ask the jewellery retailer:

- Where did the precious metals or gemstones come from?
- Where were the materials processed?
- What processes do they have in place to ensure that the highest labour standards are upheld throughout the supply chain of the product?

Educate yourself about the company's policies and practices; until you're satisfied it is working to combat exploitation throughout its supply chain. You can find information about a company's supply chain on their website or by contacting them directly. There are also a growing number of ethical jewellers, where you can buy fairly traded jewellery.



For more information  
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