





Joint Press Release

OECD Complaint against Bayer because of Child Labour in India

Current investigation: Children die due to poisoning by pesticides at cottonseed-farms in India

Berlin/Cologne 11 October 2004: Subcontractors of Bayer (Leverkusen, Germany) employ about 1500 children under age 15 in the production of cottonseed in the Indian union state of Andhra Pradesh. Moreover, three other international companies – Advanta, Emergent Genetics and Monsanto – are responsible for 10,725 further cases of child labour.

This is the result of a corporate study by the three NGOs Germanwatch, Coalition against Bayer Dangers and Global March against Child Labour published today in Germany. These NGOs will submit a complaint to the German Federal Ministry of Economics and Labour today against Bayer for violating the OECD Guidelines for Multinational Enterprises.

An Indian expert has supplied a study showing in detail that child labour in Andhra Pradesh is of the worst kind: the children do not attend school, work shifts of 14 hours a day, earn less than 50 cents a day and suffer from most serious health injuries. There are at least three cases of death: children aged 8, 12 and 13 respectively have died during the last months due to intoxication by pesticides. About 70% are employed under dept-contracts, reminiscent of bonded labour: parents receive loans with usurious interest rates which their children then must work off, often for several years. There are also cases of slavery: children having been bought, separated from their families and forced to live in dismal huts near the fields where they work.

"We have been trying for over a year to talk to Bayer's Indian subsidiary ProAgro in order to solve the problem of child labour, so far without any success. This is why we are now submitting a complaint to the Federal Ministry: we have to increase pressure on the company by involving the official German authorities" says Cornelia Heydenreich of *Germanwatch*. And Rainer Kruse, German Section of *Global March* demands immediate action: "We cannot tolerate any longer the risk of injury and death for these children. And they must be given the opportunity to attend school. With each further working season a new generation of children is being harmed."

Philipp Mimkes of the *Coalition against Bayer Dangers* says that the appalling conditions in the subcompanies are well known to the bosses of Bayer itself: "It would have been most easy for Bayer to stop the malpractices by paying adequate higher prices to producers and by exercising strict control in the subcompanies. Yet nothing has been done except empty promises."

Altogether there are more than 100,000 children employed in India's seed production. Shanta Sinha, general secretary of the Indian MV Foundation who fights child labour locally, points to unfair contracts forced upon cotton farmers by companies like Bayer's as the chief source of the continued malpractice. Prices paid by the companies are so low that parents are forced to expose their children as cheap hands to terms of bonded labour. "Therefore, it is our chief demand that fair contracts with adequate wages will be forthcoming so that the exploitation of children will be stopped."

The India Committee of the Netherlands, the International Labor Rights Fund (USA), Amnesty International Netherlands, FNV Mondiaal (Netherlands), Hivos (Netherlands), Novib/Oxfam Netherlands, Germanwatch, Coalition against Bayer Dangers (Germany) and Global March Germany demand that all cottonseed companies, and in particular the multinational companies:

- 1. Immediately implement a plan of action to eliminate all child labour in the cottonseed industry in India and ensure that every child goes to school. This should be done in close co-operation with civil society organisations and government authorities. In Andhra Pradesh, the present co-operation with the MV Foundation should be intensified in order to reach the objective that no child should work in cottonseed production in the new 2005 season.
- 2. Pay fair procurement prices to farmers to allow them to hire adult labourers and pay them at least the official minimum wage as well as equal wages for both men and women.
- 3. Eliminate all forms of bonded labour in cottonseed production in India.
- 4. Respect the workers' right to freedom of association and collective bargaining.
- 5. Provide training to farmers and seed organisers on safe handling of pesticides, and provide protective gear and clothing for pesticides handling.
- 6. Provide public, independently verified, evidence on the implementation of the above demands.

The new report "Child Labour in Hybrid Cottonseed Production in Andhra Pradesh: Recent Developments" as well as another report on conditions in the Indian states of Gujarat and Karnataka are available on the internet at www.germanwatch.org/tw/bayer.htm . There is also a German translation of the MV-Foundation's comment on the activities of multinational companies in Andhra Pradesh and further relevant materials. We will gladly supply you with the text of our complaint and with further material.

Further Information and Interviews:

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