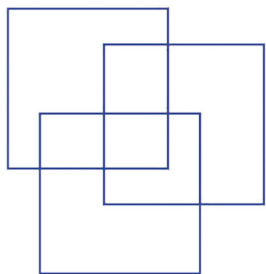


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Labour protection of interns

in Chinese textile and apparel enterprises



China National Textile and Apparel Council
ILO Country Office for China and Mongolia

Labour protection of interns

in Chinese textile and apparel enterprises

China National Textile and Apparel Council
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The Master said, "To learn and at due times to practice what one has learned, is that not after all a pleasure?"

- Xue Er of *Analects*

Preface

In the past three decades, China has become the world's largest producer and exporter in the textile and apparel industry. With an annual output of over 5,700 billion China Yuan Renminbi (CNY), the industry provides millions of jobs for women and men workers throughout the country. With direct linkages to supply chains of major international brands and increasing globalization of China's own brands, Chinese textile and apparel enterprises are becoming more and more aware of their corporate social responsibility and are stepping up action to meet global expectations and minimize reputational risks in their business operations.

Since a few years, manufacturing companies in China have been expanding their internship programmes for vocational school and college students. When properly planned, supervised and managed, internships can be a fruitful learning experience for the students, facilitating the school-to-work transition and bringing benefits to both enterprises and schools. However, lack of attention to the protection of interns' labour rights during the internship may lead to new challenges in the field of corporate social responsibility. Recently, reports on the employment of interns in unacceptable conditions of work in some companies have courted controversy at home and abroad.

This report presents the results of a study carried out by the Office for Social Responsibility of the China National Textile and Apparel Council (CNTAC) with support from the International Labour Organization (ILO). The study hopes to document some of the actual conditions in which internships are carried out in the textile and apparel industry, and to develop recommendations on how to improve the management of internships. Research for the study was carried out in November and December 2013 in ten textile and apparel sector enterprises in Jiangsu, Shandong, Fujian and Zhejiang provinces.

Results of the study show that while the vast majority of the 290 interns participating in the survey considered the internship to be a useful learning experience, a significant proportion worked in conditions that violate their labour rights and sometimes even constitute forced labour as the term is understood in international law. We hope that this report will inspire enterprises, schools and policymakers at central and local level to continue their valuable internship programmes but to do so in conditions that fully realize the labour rights of interns and protect various industries in China against allegations of forced labour.

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Before carrying out this survey, two seminars were organised by the CNTAC and the ILO in association with the China Electronics Standardization Association, the Textile Industry Association of Shaanxi Province, and the Garment Industry Association of Shaanxi Province to discuss labour protection of interns. We would like to thank business participants of these workshops and Guo Xiuming, Wang Kan, Yan Fuke, Chen Hui'an, Yang Guangming, Liu Manli, Ye Jingyi, Shen Jianfeng and Kris Kardaszewicz for sharing their experience and expertise during these workshops.

The research project was carried out by a team of CNTAC experts led by Liang Xiaohui and involving Zheng Jian, Liu Hui and Zhang Juan, greatly supported by CNTAC leadership including Sun Ruizhe, Yan Yan and Qiao Yanjin. Generous technical support at all stages of the project was provided by ILO experts including Marja Paavilainen, Michaelle De Cock, Amy Torres, and ILO consultants Marko Stermsek and Liu Zening.

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Executive summary

I. Survey Background and Method

In recent years, protecting the rights of interns has become an important issue in the Chinese manufacturing industry, and a new challenge in the field of corporate social responsibility. In some cases industries and enterprises have organized internships in unacceptable conditions, sometimes even constituting forced labour and causing scandals at home and abroad.

In order to learn about the actual conditions in which internships are carried out in the textile and apparel industry, the Office for Social Responsibility of the China National Textile and Apparel Council (CNTAC) and the International Labour Organization (ILO) cooperated in carrying out a survey – Labour protection of interns in Chinese textile and apparel enterprises – during November and December 2013. The survey combined questionnaires with individual and group interviews.

The ten enterprises which participated in the survey are distributed across four provinces – Jiangsu, Shandong, Fujian and Zhejiang – and are involved in such industries as cotton spinning, home textiles, chemical fibre and clothing, and other sub-industries. Within two months, the survey project group collected over 380 valid responses (290 from interns or former interns and 91 from enterprise managers). In addition, the project team interviewed over 40 individuals, including interns, enterprise managers, and leaders and teachers from two colleges.

According to existing research and considering the purpose of this report, interns are defined as students who do practical work in enterprises as part of their academic requirements and/or studies in a publicly designed or approved educational/training programmes of colleges or vocational/technical schools in order to obtain qualifications.

II. Survey Results

Profile of interns

All of the interns were aged between 16 and 28 (only 3.5 per cent of the total sample were below 18), 62.6 per cent of whom were women. Among them, 48 per cent of the interns majored in subjects which were highly relevant to the textile and garment industry, such as textile engineering, design, testing, dyeing and finishing, while 37 per cent of the interns majored in subjects moderately relevant to the industry, such as electromechanical engineering, computer and financing. The major background of about 15 per cent of interns was in majors with low degree of relevancy, such as food and drugs (2 per cent), air service (2 per cent), education (2 per cent), tourism (2 per cent) and vehicle repairing (1 per cent). This indicates that students graduating from junior colleges and technical secondary schools, or their schools organizing the

internships, relaxed their requirements for finding internship positions, possibly due to the labour market situation. It also shows that enterprises engage interns with an open attitude and relaxed requirements for major background in order to relieve labour shortage and enhance the diversity of talents. When organizing internships, it is however important both for the schools and enterprises to ensure that the internship serves its primary goal, namely allowing interns to learn practical skills relevant to their trade or to their interest.

The majority of the interns were doing a three to six month internship (60.7 per cent), while 25.9 per cent of the interns were doing a one to two month internship and 10 per cent were doing an internship of more than six months.

Entry into internship

The vast majority of interns (80.7 per cent) said that the internship was a compulsory part of their studies. About 20 per cent of the interns said that they would not be able to quit even if they were not satisfied with the placement, and that they would face serious consequences if they were to do so, including failure to graduate, being expelled from the school or failure to get credit points.

Most internships were organized through school-enterprise cooperation. Among them, 43.4 per cent of the interns said that their school had told them to work in this company, and 26.6 per cent of the interns said that they chose this factory from the internship options provided by the school. Another 26.9 per cent of the respondents found their employers by themselves through job advertisements or their family. Responses from more than 50 per cent of factory managers also confirmed that enterprises mainly recruit interns through the school-enterprise cooperation. However, responses both from interns and managers show that labour agencies are sometimes used to organize internships. For instance, 9.7 per cent of the interns responded that labour agencies were involved in organizing their internship, while 7.5 per cent of managers confirmed that labour agencies are sometimes used. These practices are in violation of national regulations, which stipulate that schools “cannot organise, arrange or manage internship through agencies”. On the other hand, 91.7 per cent of the interns said that they did not pay any fees for obtaining their internship.

Students usually undertake their internship together with a group of classmates. For instance, 19.1 per cent of the interns stated that all of their classmates undertook internships arranged by their school, 22.3 per cent of the interns believed that half or more than half of their classmates carried out internships, and 45 per cent of the interns believed that less than half of their classmates took part in internships organized by their school. Undertaking internships as part of a bigger group of classmates may offer some opportunities for mutual assistance and protection for interns. On the other hand, individual needs and career plans of students may not be given adequate attention, which may reduce the value of the internship as a meaningful learning experience for the interns. As regards to the location of the internship, most enterprises cooperate with schools in the same province, but a considerable portion of students travelled to other provinces for internships.

Internship content, supervision and contracts

The survey results show that 65.6 per cent of the interns knew about the content of internships before they came to the factories. Of the 290 interns, 40.7 per cent were involved in lathe operations (sewing), and 10.3 per cent in finishing (packing, etc.). Only 7 per cent of the interns were involved in types of work that have high requirements for skills and qualifications – such as design (design of materials, fabrics and style), administrative management, marketing and financing – or job functions that have significance for enterprises' innovation and transformation.

Meanwhile, 43.3 per cent of the interns confirmed that their school was involved in planning their internship, while 40.8 per cent of the interns stated that their school was not involved in this process. In 62.5 per cent of the cases, interns stated that their schools supervise or manage their internships, while more than 30 per cent of the interns said that their schools do not supervise or manage the internship. This raises concerns as adequate training, guidance and supervision are essential in ensuring the internship is a meaningful learning opportunity. The ways that supervision was carried out included assigning special instructors (45.1 per cent) and sending people to conduct inspection at factories from time to time (44.6 per cent). Some schools also tried to learn about internships by phone, network, regular questionnaires and monthly reports.

Regarding internship contracts, 64.7 per cent of the interns signed internship contracts with enterprises concerning their internship activities, while more than 30 per cent had no contracts. Among them, 49.5 per cent of signed contracts were between the student and the factory, while 42.5 per cent of contracts were tripartite internship contracts signed among students, factories and schools. The fact that less than one third of interns had a tripartite agreement raises concerns, as national regulations issued in 2007 require the signing of tripartite agreements. The majority of contracts (70.3 per cent) were signed after interns arrived at factories.

Labour protection and conditions of work

The vast majority of interns (82.7 per cent) worked for less than eight hours per day. However, 12.8 per cent worked for nine to ten hours, and 4.5 per cent worked for 11-12 hours every day. This means that 17.3 per cent of the interns worked more than the maximum eight hours permitted in national regulations. As far as the number of days off per week is concerned, most of the interns said that they had one day off (60 per cent), a considerable portion said they had two or more than two days off (23 per cent), and 17 per cent of them said they had less than one day off, or were unsure.

National regulations require employers to pay interns according to their working hours and workload, and stipulate that the pay rate shall be determined in the internship agreement. The survey results show that, 48.6 per cent of the interns said they had agreed on the salary before they began the internship. Overall, the wages of 97 per cent of interns reached the local minimum wage requirements. However, 1.6 per cent

of the interns did not receive any payment. As regards the method of payment, 85.2 per cent of the interns said their salary was directly paid by factories and 13.4 per cent said they were not sure about who paid their salary. Among interns surveyed, 72.8 per cent said that their schools would not deduct any amount from their salary, 25.4 per cent were not sure whether any deductions were made, and 1.7 per cent believed that their schools deducted a certain amount from their salary.

As regards insurance coverage, 42.6 per cent of the interns said they were covered by a personal accident insurance. Among them, 61.5 per cent of these insurances were bought by factories, and 24.6 per cent by schools. On the other hand, 39.1 per cent of the interns were not covered by any personal accident insurance, and 18.3 per cent of them did not know whether they were covered by personal accident insurance. As a minimum requirement, relevant regulations from Chinese ministries stipulates that student internship liability insurance “shall cover the corresponding internship period”,

As regards working conditions, the vast majority of interns (more than 85 per cent) found their workplace safe and clean, or mostly safe and clean. Of the 195 interns who lived in the dormitory provided by factories, 90 per cent believed that their dormitory was safe and clean or mostly safe and clean.

The majority of interns (68 per cent) enjoyed full freedom of movement and could freely leave the factory outside their working hours. However, 22 per cent of the interns were only able to leave the factory outside working hours under certain conditions. The most common conditions cited by the interns included requirements to get approval from the supervisor (70.4 per cent), only being able to go out at certain times (17.3 per cent), and being able to go out for just a short while (11.1 per cent).

As regards workplace discipline and communications, 95.5 per cent of the interns said that they had not experienced violence or threats of violence in their workplace. Similarly, 92 per cent of the interns said that verbal abuse happened never or seldom, while about 7.6 per cent of the interns said they had sometimes experienced verbal abuse. Moreover, 90.3 per cent of the interns said that they knew whom to turn to or report to if they encountered any problems, while 9.7 per cent of the interns said they had no idea in this regard.

Personal feelings and development prospect

As regards the overall satisfaction, 83.3 per cent of the interns said they were very satisfied or quite satisfied with their internship. Likewise, 76.4 per cent of the interns found the internship very helpful, substantially helpful, or helpful to some extent, in improving their skills in their field of specialization. Also, 74 per cent of the interns believed that the skills they had learned at school were relevant to their work at factories. Overall, 78.1 per cent of the interns believed that the internship was a good life experience, while 18.8 per cent were uncertain and 2.1 per cent held a negative attitude in this regard. However, only 36 per cent of the interns stated they would like to work in the factory after graduation, while 20 per cent made it clear that they would not stay.

Labour law benchmarking and forced labour

Further analysis was carried out to benchmark working conditions of interns participating in the survey against Chinese laws and regulations on minimum labour protection (if the standards established in general labour law were applicable to interns), and to identify to what extent the interns were exposed to forced labour. The purpose of this analysis was to show why national regulations governing internships need to be strengthened to ensure proper labour protection during internships and eradicate risks of forced labour.

Analysis of the survey data shows that a little over half of interns (52.1 per cent) worked in conditions that in one way or another do not meet the national minimum standards for labour protection. The survey findings indicated three categories in which occurrence of violations of regulations governing internships or practices otherwise not meeting national minimum standards for labour protection were the highest: rest periods (12.8 per cent), overtime work (17.2 per cent) and restrictions in freedom of movement (31.9 per cent).

Data on indicators of forced labour shows that one in every seven interns (14.8 per cent) were carrying out involuntary and coercive work during their internships constituting a situation of forced labour. This includes both interns who were doing overtime work under duress and with a threat of punishment (8.2 per cent) and interns who were unable to quit substandard work due to menace of a penalty (8 per cent).

Managers' perspectives

More than 85 per cent of the managers knew that their enterprises were using interns, while 11 per cent did not know about this. Also, 34.8 per cent of the managers were also aware that the local enterprises of the same trade were extensively using interns. In addition, 75 per cent of the managers believed that the practice of using interns was worth being promoted in the industry.

Findings from the survey of factory managers highlight a need for clearer and more comprehensive regulation on labour protection for interns. Among enterprise managers participating in the survey 78 per cent stated that they need guidance documents and relevant training on the labour protection of interns, while 16 per cent indicated need for either guidance documents or training only. Clear gaps were also identified in managers' awareness of current regulations governing internships. For example, 21.8 per cent of the managers incorrectly believed that no agreement or contract needs to be signed for the use of interns.

III. Summary of key findings

Based on the survey results outlined above, the key findings and issues of concern relating to government policy and practices of schools and enterprises can be summarized as follows:

Issues relating to education and human resources policy

The legal identity of interns must be defined, and minimum standards for their labour protection and rights need to be established. Currently, internships are not considered as employment but part of studies, and interns are therefore not covered by labour protection. Clear minimum standards – equivalent with those of regular workers – need to be established with regards to remuneration, working hours, rest periods and other working conditions of interns. Interns should also be entitled to employment injury benefits and to join trade unions in the same way as other workers. Wage deductions, charging of fees, retention of identity cards, and limitations to interns' freedom of movement or ability to quit the internship should be explicitly prohibited. Interns younger than 18 years of age should also be protected against hazardous work.

Coordination and coherence between labour laws and education laws must be enhanced. The scope of application and requirements of current regulations are not sufficiently coordinated, which leads to significant gaps in the protection of interns. Cooperation among labour authorities and education authorities also need to be improved to ensure effective implementation, and relevant regulations need to also establish clear mandates to relevant authorities for supervising their implementation. Labour inspection should be given authority to promote compliance with protective regulations, regardless the authority overseeing the training programme.

Internships should only be permitted if the internship programme is embedded in publicly designed and approved training programmes, which ensure a level of commitment by the authorities to contribute, support and oversee the training of interns. The internship programmes of schools and universities must be governed by adequate rules and regulations for the protection of students and the schools. Rules and regulations should also define the minimum, relevant technical knowledge and skills which must be achieved, as well as the responsibilities of schools and enterprises in relation to the management of internships and training, guidance and protection of interns.

Issues relating to school practices

While compulsory internships can be a legitimate part of a publicly designed or approved educational/training programme, it needs to be ensured that all interns are able to quit and change to another internship placement if they are not satisfied, or the intern cannot meet the requirements of his/her education/training programmes. Punitive measures identified in the survey, such as expelling students or withholding their diplomas if they refuse an internship or want to quit, should not be used to facilitate internships. Such practices go against the protection of interns' rights and may even constitute forced labour.

Students' participation in planning and organizing the internship must be enhanced to ensure that

internships meet their individual needs and allow them to learn practical skills relevant to their trade. The survey results show that most schools took care of all arrangements, and students had a low level of participation. Schools should always sign tripartite internship agreements with students and enterprises before the internship. Survey results show that only a minority of interns have signed a tripartite internship contract. Supervision and guidance for internship must be strengthened. Survey results show that the schools did not provide the interns adequate guidance before the internship, and did not supervise them sufficiently during the internships. Oversight of the enterprises during the internships should also be improved. At the end of the internship, an evaluation of the student should be provided by the school to ensure that the expected learning objectives identified at the beginning were achieved.

Issues relating to enterprise practices

Enterprises' perception of interns must be changed. The survey results show that enterprises regard internships as a short-term solution for relieving labour shortages. They did not make full use of interns' specialized knowledge and ability to perform technically more demanding tasks. This may have decreased interns' job satisfaction and willingness to work for the company after graduation.

Enterprises' responsibility for "protection" and "cultivation" must be defined. Survey results show that only a minority of interns had signed a tripartite internship contract and the coverage of employment injury insurance was low. Some interns were unable to quit or to refuse overtime work beyond limits set in national regulations, or had their freedom of movement restricted during non-working hours. Such practices should be entirely eradicated to avoid possible reputational damage and accusations of forced labour.

The enterprise management system for interns must be strengthened and their compliance with national regulations improved. The survey shows that enterprise managers' awareness of current regulations on interns' rights were insufficient and enterprises lacked a risk management mechanism for labour protection of interns. Nor did they have the enterprise management systems and internal communication mechanism that are targeted at young interns.

IV. Conclusions and suggestions

Internships can be very helpful arrangements for enterprises, schools and students, when they are properly planned, supervised and managed. However, the improper organization of internships has reflected the importance and urgency of regulating internships and protecting interns' labour rights. At worst, organizing internships in unacceptable conditions can cause scandals at home and abroad, including accusations of forced labour. Ensuring that internships provide students with a genuine opportunity to learn practical skills relevant to their trade or specialization requires governments, schools and enterprises to fulfil their own responsibilities in this regard. In addition, rights awareness among students and interns themselves should be strengthened and their active role in career planning and self-development enhanced. The

recommendations for governments, schools and enterprises arising from this study are summarized below.

At the policy level, the central government needs to mobilize education authorities and human resources authorities to strengthen the existing laws and regulations, and urgently establish clear minimum standards for labour protection and rights of interns from vocational schools and colleges in the labour law system and education law system. Local governments need to hold their urge of acting as labour agencies for the sake of the interests of local enterprises, and not engage in assigning or allocating students of local schools to enterprises for internship. They should, instead, effectively perform their statutory duties, and strengthen supervision and guidance on organizing internships in enterprises and schools' internship activities.

At the school level, schools of various types must acknowledge the educational function of internships and ensure that internships allow interns to learn practical skills relevant to their trade. Internships should not be allowed to become a channel for outsourcing cheap labour power or generating profits. Before internships begin, schools should, on the one hand, conduct full investigation and rigorous selection of the enterprises that receive students, and make sure they not only have the posts and instructors required for organizing a meaningful internship, but also have good management, labour protection and treatment. On the other hand, schools should clearly define the internship requirements in relevant teaching programmes or evaluation systems, and provide students participating in internship with practical skills training relevant to their internship posts. After internship begins, schools should supervise and give guidance to the internship activities through various channels, and actively communicate with enterprises on any problems encountered by students during the internship. Importantly, schools need to plan the methods of evaluating internship in a prudent and scientific way, especially if the internship is a compulsory part of the training programme.

At the enterprise level, enterprises must change their perception of internships from “use of labour” to “use of talents”, and discover and nurture interns' strengths and potential. They need to better match the interns' knowledge, skills and expectations with the enterprises' demands for talents to create more value for enterprises, increase interns' loyalty and satisfaction with the internship. In terms of practical operations, enterprises should fulfil two important duties in using interns by establishing and perfecting a series of management measures, namely “protection” (preventing risks of forced labour) and “cultivation” (increasing quality of talents). Enterprises should perceive internships as a long-term strategy for easing challenges with recruiting and retaining highly-competent people, rather than short-term strategy for addressing labour shortages. Therefore, enterprises must take strategic measures to fill the gap between the use of interns and the enterprise's objective of sustainable use of talents.

1 Survey background and methodology

In recent years, labour protection of interns has become an important issue in the Chinese manufacturing industry and a new challenge in the field of corporate social responsibility. In some cases industries and enterprises have organized internships in unacceptable conditions constituting even forced labour, causing scandals at home and abroad.

In order to learn about the actual conditions in which internships are carried out in the textile and apparel industry, the Social Responsibility Office of the China National Textile and Apparel Council (CNTAC) and the International Labour Organization (ILO) cooperated in carrying out the survey-“Labour protection of interns by Chinese textile and apparel enterprises”-during November and December 2013. The survey combined questionnaires with open personal interviews and group interviews. Within two months, the survey project group collected over 380 valid responses (290 from interns or former interns and 91 from enterprise managers), and interviewed over 40 individuals (including interns, enterprise managers, and leaders and teachers of two colleges).

The ten enterprises which participated in the survey are distributed across four provinces—Jiangsu, Shandong, Fujian and Zhejiang, and are involved in such industries as cotton spinning, home textiles, chemical fibre and clothing, among which there are large enterprises with an annual output value of over CNY1 billion and also small enterprises with less than 50 employees. Among such enterprises, the lowest proportion of interns in the total staff was 1.3 per cent and the highest was over 15 per cent. Smaller enterprises tended to have relatively higher numbers of interns. Moreover, seven of the ten enterprises participating in this survey have ongoing “practice base” agreements with one or several colleges or vocational/technical schools. Two enterprises have established their own corporate colleges or vocational schools, which have been approved by relevant educational authorities.

Before carrying out this survey, two seminars were organised by CNTAC and ILO in association with the China Electronics Standardization Association, the Textile Industry Association of Shaanxi Province, and the Garment Industry Association of Shaanxi Province in order to study the labour protection of interns, including the relevant legal framework, industry norms and enterprise practices. Based on conclusions formed in these two seminars, we define interns throughout the present report as students who do practical work in enterprises as part of their academic requirements and/or studies in a publicly designed or approved educational/training programmes of colleges or vocational/technical schools in order to obtain qualifications.

2 Main findings from the survey

2.1 Profile of interns

Valid responses were collected from 290 interns of whom 62.6 per cent were women. Respondents varied in age between 16 and 28 per cent (only 3.5 per cent of the total sample were below 18). Most of them came from Shandong, Fujian, Yunnan, Jiangsu, Heilongjiang, He'nan and Zhejiang provinces (Figure 1 and Figure 2).

Figure 1. Distribution of interns by province (per cent)

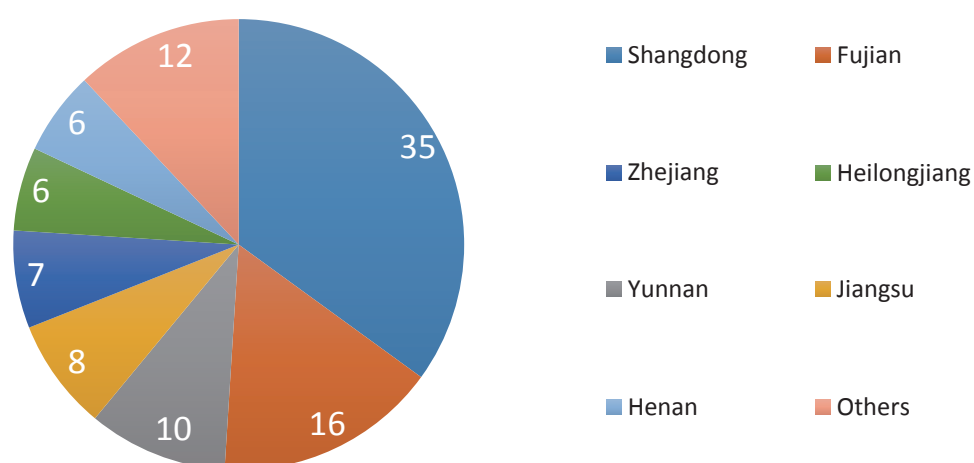
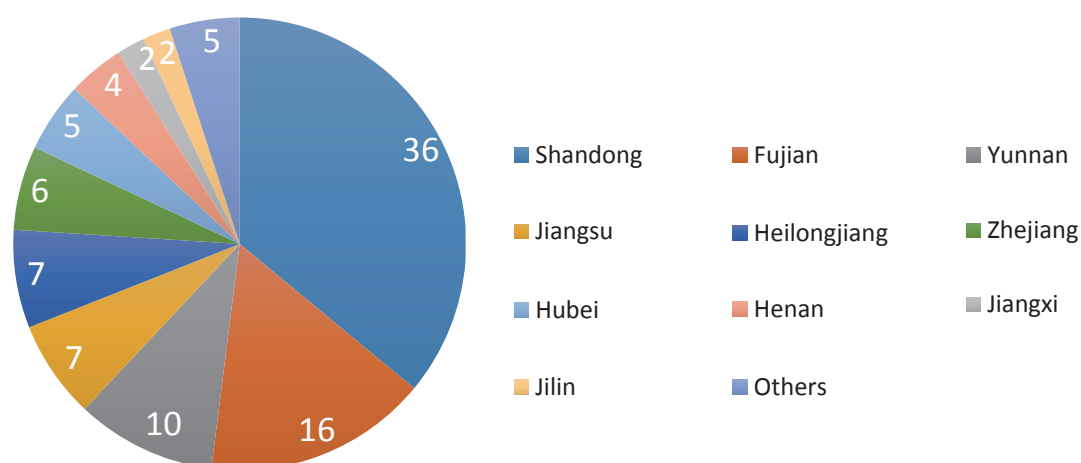


Figure 2. Distribution of interns by school (per cent)

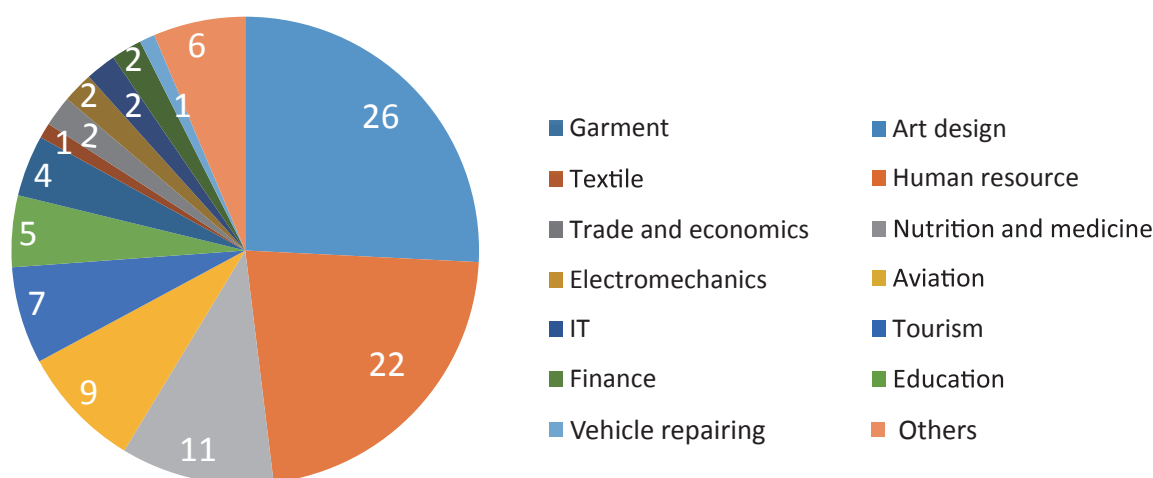


Among students who participated in the survey, 51.4 per cent studied at vocational/technical schools; 47.2 per cent studied at junior colleges per cent and only 2.7 per cent studied at senior high schools. Overall, 68.6 per cent students were enrolled in three year courses, and 26.2 per cent in courses lasting for more than three years. The majority of interns were in their final year of secondary or higher vocational schools or in their senior year of college.

The survey shows that the interns studied a wide variety of majors. We classified the majors into three categories based on their degree of relevancy to textile and apparel enterprises: (i) those that are highly relevant to the internship carried out – such as textile engineering, design, testing, dyeing and finishing, apparel engineering, design and process; (ii) those that are moderately relevant – such as electro-mechanics, computer, finance, HR management and trade economy; and (iii) those that are not at all relevant.

Nearly half of the interns majored in highly relevant subjects, including textiles (22 per cent) or apparel (26 per cent). The major background of nearly 37 per cent of the interns was in a major with a moderate degree of relevance, which included trade economy (11 per cent), electro-mechanics (9 per cent), computing (7 per cent), finance (5 per cent), design (4 per cent) and human resources management (1 per cent) (Figure 3).

Figure 3. Distribution of interns by majors (per cent)



The major background of about 15 per cent of interns was in majors with low degrees of relevancy, such as food and pharmaceuticals (2 per cent), air service (2 per cent), education (2 per cent), tourism (2 per cent) and vehicle repairing (1 per cent). This indicates that students graduating from junior colleges and technical secondary schools, or their schools organizing the internships, relaxed their requirements for finding internship positions, possibly due to the labour market situation. It also shows that enterprises engage interns with an open attitude and relaxed requirements for major background in order to relieve labour shortage and enhance the diversity of talents. When organizing internships, it is however important both for the schools and enterprises to ensure that the internship serves its primary goal, namely allowing interns to learn practical skills relevant to their trade or to their interest.

2.2 Basic information about the internship

2.2.1 Are you taking an internship now?

In this survey, any questionnaires from respondents who were currently taking an internship or had previous internship experience were considered valid. 82.1 per cent respondents made it clear that they were taking an internship in factories, 2.8 per cent respondents said they were not taking an internship, and about 15.2 per cent did not indicate whether or not they were taking an internship.

“The current work endows me with responsibility and accountability. I must go to work every day on time at least. I must complete all jobs well because it concerns not only me but also the whole group. Now I am engaged in logistics work, which is related to production of the whole workshop, so I feel I have a sense of responsibility.” (Intern)

2.2.2 How long does the internship last?

The majority of internships (60.7 per cent) last three to six months, 25.9 per cent last one to two months, and 10 per cent last over six months. When filling in questionnaires, interns who had worked for one to two months accounted for 46.6 per cent, those who had worked for three to six months accounted for 21.7 per cent, and those who had worked for less than one month accounted for 13.1 per cent, and those who had worked for over six months accounted for 5.2 per cent. The majority of the interns were in their last year of secondary or higher vocational schools or in their senior year of college. According to relevant national regulations such as Notice on Further Doing Well Internship-related Work for Students of Secondary Vocational Schools in Response to Shortage of Technicians in Enterprises issued by the Ministry of Education, internships should be arranged in the last school year and shall last between six months and one year. Survey results show that the internship periods of respondents generally meet these regulations.

2.2.3 Is the internship compulsory?

Overall, 80.7 per cent of interns stated that their internship was a compulsory requirement for completing their education programme. Among these interns, 54.8 per cent said that if they did not participate in internship they wouldn't be able to graduate, 8.5 per cent said if they did not participate in the internship they would be expelled, and 11.9 per cent said that not participating in the internship would result in other consequences, such as delayed issuance of diploma, retaking a course for credit and punishment. Moreover, nearly 20 per cent stated they would have been unable to resign even if they wanted to.

Generally speaking, making an internship a compulsory part of an education programme can be legitimate, if the interns are provided with adequate training, guidance and supervision, and the internship allows participants to learn practical skills relevant to their field of study. However, it needs to be ensured that all interns are able to quit and change to another internship placement if they are not satisfied, or the intern cannot meet the requirements of his/her education/training programme. Punitive measures identified in the survey, such as expelling students or withholding their diplomas if they refuse an internship or want to quit, should not be used to facilitate internships. Such practices go against the protection of interns' rights and may even constitute forced labour.

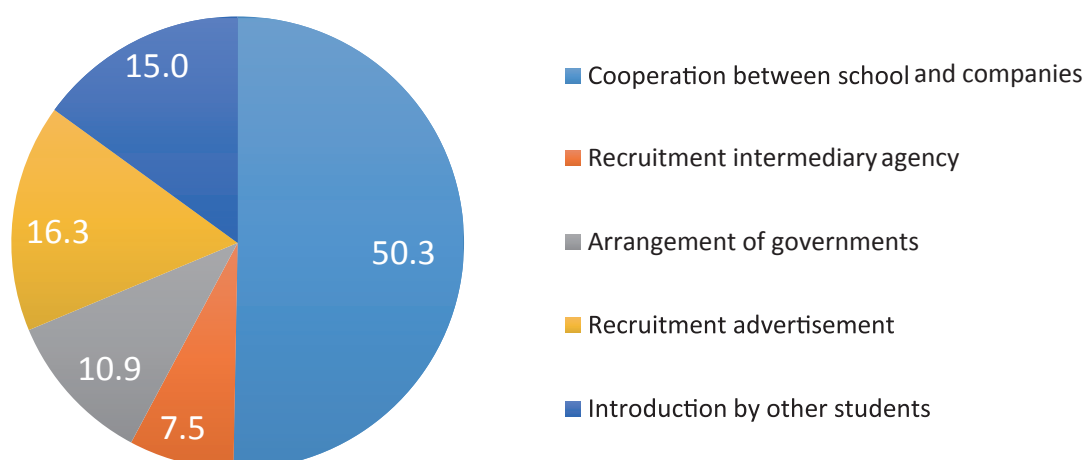
“I learned something in school but it’s just theoretic. Now I can do mechanical operation in some aspect. It’s really cool!” (Intern)

2.2.4 Who arranged the internship?

In general, 43.4 per cent of interns said the school told them to take an internship in this specific enterprise, while 26.6 per cent said they chose the internship from internship options provided by school, and 26.9 per cent said that they found internship units through their own or family’s channels (like recruitment ads). This shows that a large proportion of students did not choose internships independently but relied on the schools’ orders or recommendations. Students' participation in planning and organizing the internship should be enhanced to ensure that internships meet their individual needs and allow them to learn practical skills relevant to their field of study.

Statistical results also show that school-enterprise cooperation is the main channel through which students obtain internships in enterprises. Schools regularly send graduating students to enterprises to take internships by establishing internship or teaching research bases with enterprises (Figure 4).

Figure 4. Source channels of interns (per cent)



The questionnaire on 91 managers from ten enterprises also indicates the same finding - over 50 per cent of managers said enterprises recruit interns mainly through school-enterprise cooperation.

While 77.9 per cent of interns responded that no labour agency was involved in their recruitment, 9.7 per cent said that labour agencies were involved, and 12.1 per cent were unclear about this. Occasional use of labour agencies was also confirmed by enterprise managers, 7.5 per cent of whom considered use of labour agencies as one option for recruiting interns. These practices are in violation of the Management measures for internship of students of secondary vocational schools issued by the Ministry of Education in 2007, which stipulates that schools “cannot organise, arrange or manage internship through agencies”.

“We provide every student with internship assignment and require him to find a person as his/her adviser after joining an internship unit. The graduation project teacher is just the teacher for him/her while taking an internship in an enterprise. The student must report internship conditions to the teacher regularly, write a diary every week, and write a summary after returning from internship. The enterprise should appraise interns with seal.” (College Teacher)

2.2.5 Did you pay for the internship?

A vast majority (91.7 per cent) of the interns said that they did not pay a fee for their internship, and only 1 per cent said they paid fees ranging from CNY150-200 for their internship, mainly to their schools. Interviews with enterprises and schools also confirm that most students did not need to pay any fee for their internship under the framework of the formal school-enterprise cooperation.

Direct school-enterprise cooperation has, to a large extent, avoided the intervention of labour agencies. The Management measures for internship of students of secondary vocational schools issued by the Ministry of Education in 2007 prohibits engagement of labour agencies in organization of internships to prevent students from becoming the profit-making tool of employers, labour agencies and schools. Expenses like agency fees for labour agencies and commission for teachers and schools could lead to serious problems like the deduction of interns’ remuneration by employers and even forced labour.

2.2.6 How many classmates are taking an internship?

Overall, 19.1 per cent interns stated that all classmates in the class participated in internships arranged by school, while 22.3 per cent stated over a half or a half of classmates participated in internship, and 45 per cent stated less than a half of classmates participated in internship arranged by school. Due to school-enterprise cooperation, internship in factories allows students to experience living together in a new environment. Among them, 46 per cent interns said the number of classmates who were taking internship in the same factory was over 10, and 4.5 percent said the number of classmates in the same factory was over 100.

Undertaking internships as part of a bigger group of classmates may offer some opportunities for mutual assistance and protection for interns. On the other hand, individual needs and career plans of students may not be given adequate attention, which may reduce the value of the internship as a meaningful learning experience for the interns.

In addition, although the maximum number of interns recruited by enterprises is not stipulated in Chinese laws and regulations, enterprises should limit the number of interns in order to avoid overuse of students and not to affect the employment and work of regular employees. For example, the Opinions on Normalizing Employers Regarding Recruitment of Secondary Vocational School Students issued by Suzhou City in 2005 stipulates that the number of interns recruited by each employer shall not exceed 5 per cent of total number of staff.

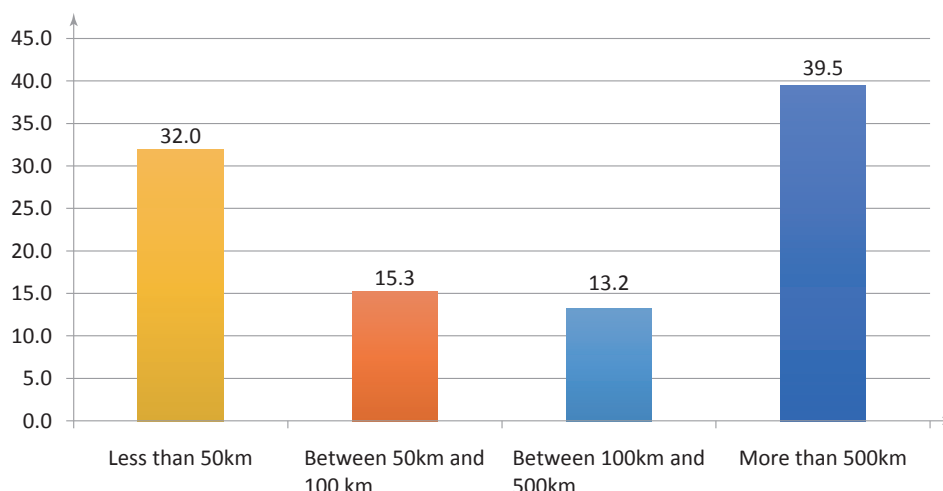
2.2.7 Where do you take the internship?

The survey results show that most enterprises cooperate with schools inside their province (Figure 5.) Thus, for over 47 per cent of interns, the distance between schools and factories was no more than 100km. Moreover, a certain number of students took internships in another province (Table 1). In the survey, an enterprise in north Fujian cooperated with an apparel school in Yunnan, and over 90 per cent of nearly 70 interns in this enterprise came from Yunnan and responded that the distance between their school and factory is more than 500 kilometres.

Table 1. Geographical feature of students' participation in the internship

Location of Enterprises	Taking internship within home province (per cent)
3 enterprises in Fujian Province	58.9
2 enterprises in Jiangsu Province	66.7
3 enterprises in Shandong Province	92.2
2 enterprises in Zhejiang Province	42.5

Figure 5. Distance between factory and school (per cent)



To relieve the labour shortage in some provinces, the Government has put in place certain measures to promote the cross-regional flow of talents. These include, for example, the Ministry of Education Notice on Further Doing Well Internship-related Work for Students of Secondary Vocational Schools in Response to Shortage of Technicians in Enterprises issued in 2010. The notice provides that “administrative departments of education in the eastern regions shall actively contact its counterparts in the central and western regions based on local enterprises’ demand on labour, and do well in the organization and management of internships placement of secondary vocational school students from other regions”. While assigning students to undertake internships in faraway places as such can be a perfectly legitimate practice, it is worth noting that these students may need more support and help from schools, families and communities in an unfamiliar environment.

Regardless the distance, 46.9 per cent of interns said their schools organized the trip to factories, while 37.6 per cent came to factories on their own, and only 10.3 per cent said factories brought them over. Only 5.9 per cent of interns were accompanied by factory representatives during their journey. This indicates that most factories had missed the good opportunity of caring about interns “from the source”.

2.2.8 What did schools do for the internship?

Schools’ basic responsibilities for interns can be classified into two aspects: (i) guidance before taking the internship and (ii) supervision while taking the internship. Survey data show that 43.3 per cent of interns stated that schools participated in pre-stage planning and guidance, while 40.8 per cent of interns thought schools did not participate in the process, and 15.9 per cent said they were unclear about the school’s role. On the other hand, 72.1 per cent of interns said they received relevant skill training (daily learning or training specially organised) before taking the internship. Additional responsibilities assigned to schools by the Management Provisions on Post Practice of Vocational School Students (Trial Implementation) (Exposure Draft), issued by the Ministry of Education, before students take an internship include “carrying out on-the-spot survey on units and learning about the nature and content of the work, work time, working environment, living environment, health and safety protection”.

As to supervision while taking an internship, 62.5 per cent of interns said that schools supervised or managed their internships, mainly by irregularly assigning people to visit factories. Moreover, some schools endeavour to learn about internship conditions by maintaining close contact with internship providers or conducting questionnaires of their own. Over 30 per cent of interns thought that schools did not supervise or manage their internship at all. This is concerning, as adequate training, guidance and supervision are essential in ensuring the internship is a meaningful learning opportunity.

Box 1. Example of internship safety agreement between a school and interns

1. Our college is responsible for providing safety education for students who will take internships and putting forward requirements of keeping records. Our college encourages students to take personal accident insurance.
2. The way of contacting internship units adopts the combination of colleges' recommendation and students' independent contact. Students who contact units independently shall apply to the college, and submit the letter of acceptance of internship units. After starting internship, students shall report such conditions as name of internship unit, address, contact information, accommodation arrangement and transportation arrangement to counsellor and class teacher.
3. While taking internship, students shall contact respective internship teachers at least once every week and report internship condition. If possible, internship teachers shall go to students' internship units to learn about internship condition, and help students solve problems encountered.
4. If a student did not report internship condition based on regulations and did not contact counsellor and class teacher while taking internship, it is deemed that such student did not take an internship and cannot get the credit. If safety problems occur, our college is not responsible.
5. While taking internship, students shall firmly keep in mind "safety first". In each process of taking a bus, associating with people, internship and life, students shall firmly keep in mind "safety first", to avoid getting personal injury, falling into the trap of pyramid sale, being tricked, and property loss. If one's own or others' personal injury and property loss is caused by traffic accident due to one's own negligence, the student shall suffer the consequence alone.
6. While taking internship, students shall strictly observe law and discipline, and school rules, and rules, regulations and management provisions of college and internship units. If injury or loss is caused to oneself, another person or internship unit due to violation of relevant rules and regulations and management provisions, the student shall take the responsibility alone.

(Excerpt of Graduation Internship Safety Agreement signed between the college and interns from one of the vocational schools surveyed in the study)

"Our students take up internships in the second half of the year, and we go to employers in the first half of the year. We assign professional teachers to conduct follow-up visits on students' study. The purpose is to check students' internship condition and learn about employers' evaluation of students." (College Teacher)

2.3 Labour protection and conditions of work

2.3.1 Internship contracts

As to the standardization of internships, 65.6 percent of interns said that they already knew the content of internships before going to factories. 64.7 per cent of them signed internship contracts with enterprises, while more than 30 per cent had no contracts. 49.5 per cent of signed contracts were signed between the student and the factory, while 42.5 per cent of contracts were three-party internship contracts signed among students, factories and schools. The fact that less than one third of interns had a tripartite agreement raises concerns as Regulation on Management of Internships of Students in Secondary Vocational Schools issued by Ministry of Education and Ministry of Finance in 2007 require signing of tripartite agreements. Most contracts (70.3 per cent) were signed after interns arrived at factories. It is thus clear that the lack of formal contracts may make interns more vulnerable to exploitation.

The majority of internship contracts cover key elements of the internship, including work time, rest time, remuneration, overtime compensation, insurance, emergency contact, as well as other clauses and information (Table 2).

Table 2. Content of internship contracts

Key contract content	Share of those covered (per cent)
Job content, obligations and responsibilities	87.3
Daily working hours	86.7
Weekly rest time	81.2
Monthly basic salary	81.3
Overtime compensation	72.6
Work-related injury insurance or work-related disease insurance	82.1
Name or information of your supervisor and adviser while taking internship	62.9
Person you can contact when you have problems at work or have other ideas	77.7
Information on how to handle relevant formalities if you want to give up internship	72.7

Among key contents above, the one with the lowest coverage rate is “name or information of your supervisor and adviser while taking internship”. This shows that employers and schools do not give proper consideration to the importance of proper communication between the school and enterprise on management and supervision on interns during the internship. The coverage rate of another key element on how to handle relevant formalities if they want to give up internship is also relatively low at about 70 per cent. This may limit interns’ ability to terminate their internships in case they are unsatisfied, which may even cause a hidden danger of forced labour. The coverage rate of overtime compensation in internship contract is also relatively low.

2.3.2 Work content

The survey result show that 40.7 per cent of the respondents participated in lathe (sewing) work and 10.3 per cent in finishing (like packaging) work. However, only 7 per cent of the interns participated in types of work that have high requirements for skills and qualifications, such as design (materials and fabrics, and style design), administration, marketing and finance, or types of work that have great significance for enterprise innovation and transformation (Figure 6). Assignment of interns to positions with low skills requirements raises the question whether the internship allows them to learn practical skills relevant in their trade. Several managers said in interviews that arranging internships in lathe or packaging post was just a temporary arrangement to make interns familiar with products and production process and increase grassroots experience, and that discovering and cultivating senior technicians and managers is most important benefit that interns can bring to enterprises (Figure 7). However, in reality, it seems that factories’ primary goal in recruiting interns is to relieve labour shortages, and they do not make full use of interns’ professional knowledge and ability in more valuable posts.

“I think our advantage is that our learning ability is indeed stronger compared with factory workers. For example, it may take one day for workers to learn a process, but we can learn it in one morning and do it very well.” (Intern)

Figure 6. Distribution of types of work (per cent) (survey of the managers)

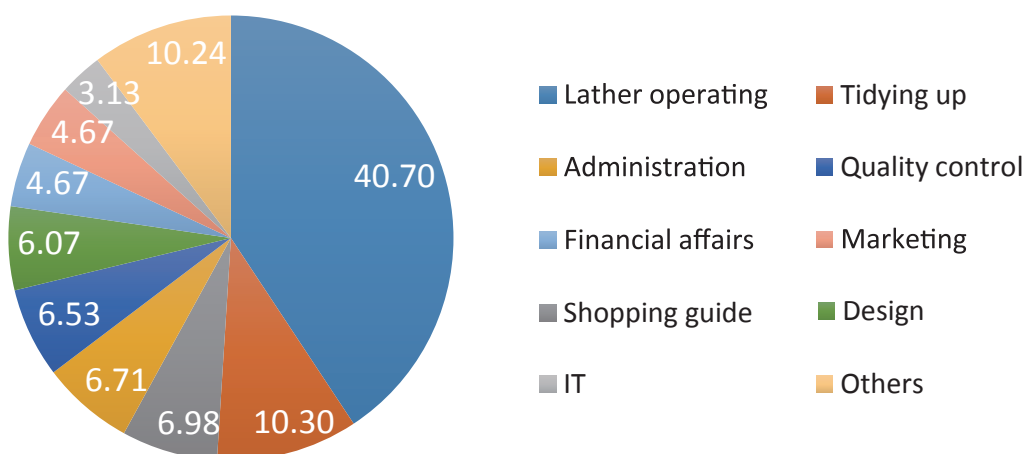
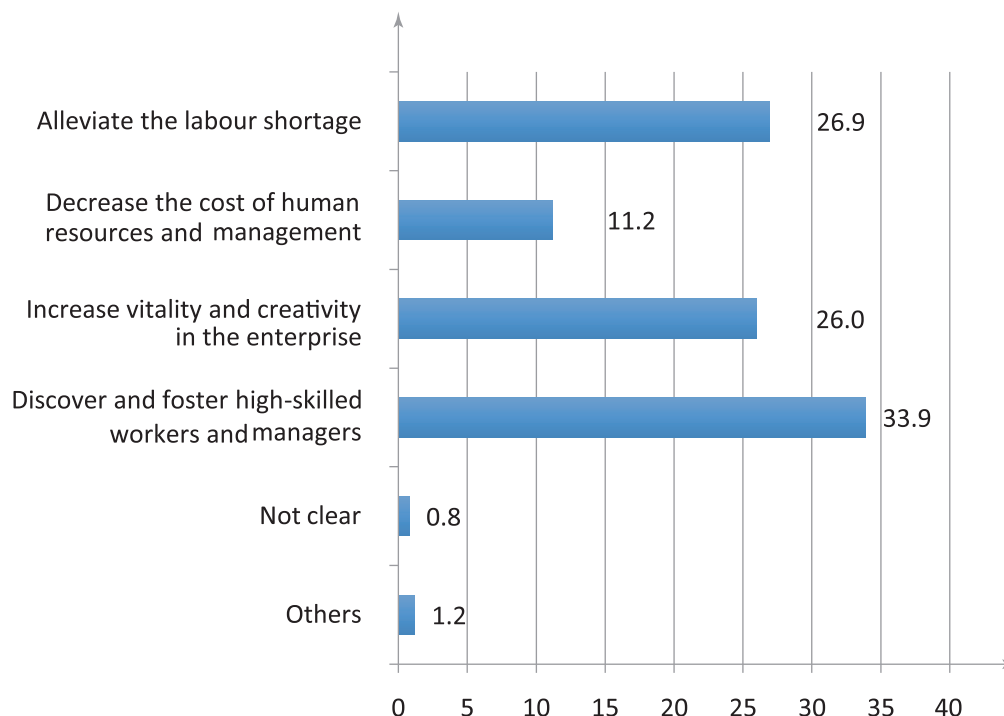


Figure 7. Significance of interns for enterprises (per cent)



2.3.3 Working time

Working time and rest time are two major indexes that show interns' labour intensity (Figure 8). Statistical results shows that the normal daily working hours of 82.7 per cent of interns are no more than eight hours, while 12.8 per cent work nine to ten hours, and 4.5 per cent work eleven to twelve hours. This shows that 17.3 per cent of interns work for over eight hours every day, which is in violation of the Regulation on Management of Internships of Students in Secondary Vocational Schools issued by the Ministry of Education and Ministry of Finance in 2007. As to rest days every week, most of the interns said they can rest one day (60 per cent), while 23 per cent can rest for more than two days per week.

As to the reasons why some interns work overtime, 54.2 per cent of interns stated it is to complete their workload, while 20.9 per cent stated that their boss/supervisor requires them to work overtime, and 20.6 per cent did this to earn more money. As to whether they themselves can choose to work overtime or not, 73.2 per cent of interns thought they could refuse to work overtime. 26.8 per cent of the interns stated they cannot refuse overtime work for fear of such risks as losing the often significant income they would gain from their attendance bonus, being forced to work overtime, having their wages deducted, facing scolding or language abuse, facing a report to their school, or being dismissed from their internship. Forced overtime under the menace of a penalty is an indicator of forced labour, and the data above has been taken into account in the analysis presented in Section 2.5.

Figure 8. Daily working time of interns (per cent)

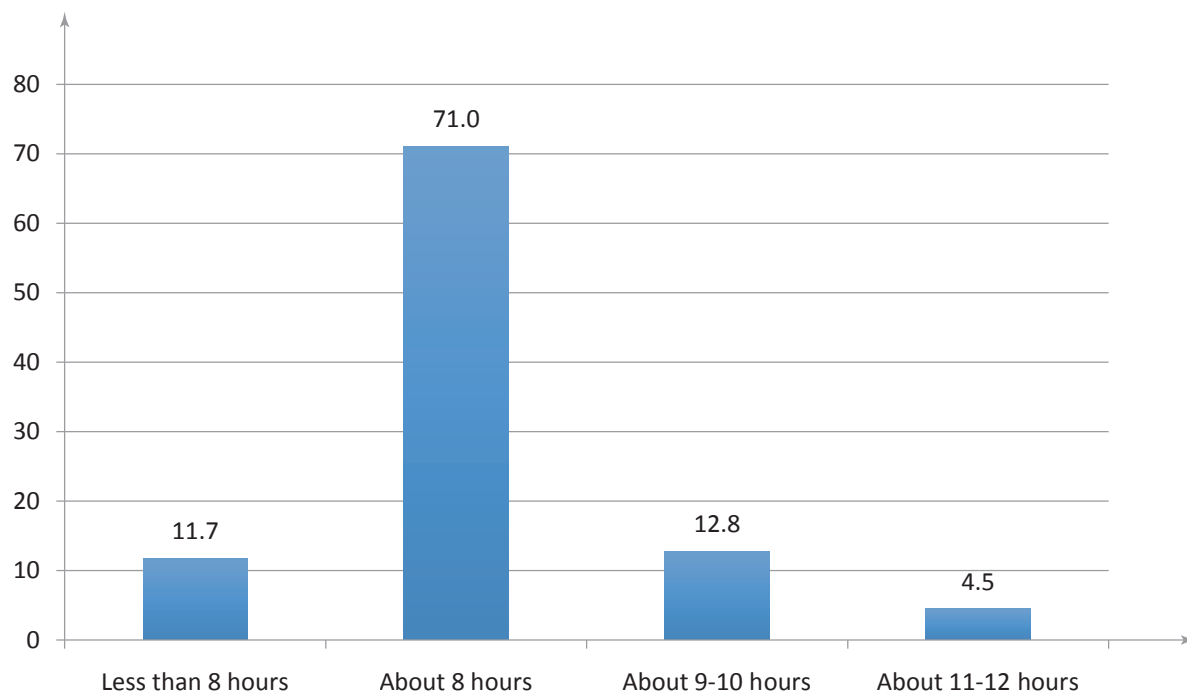
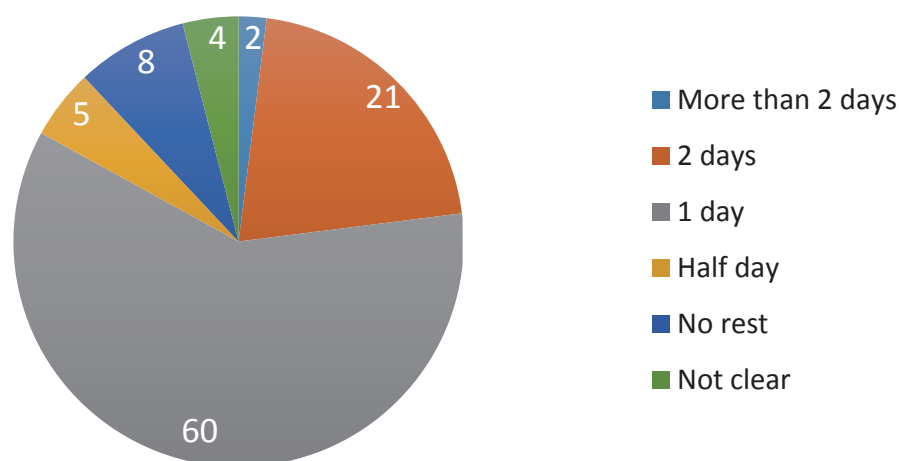


Figure 9. Weekly rest time of interns (per cent)



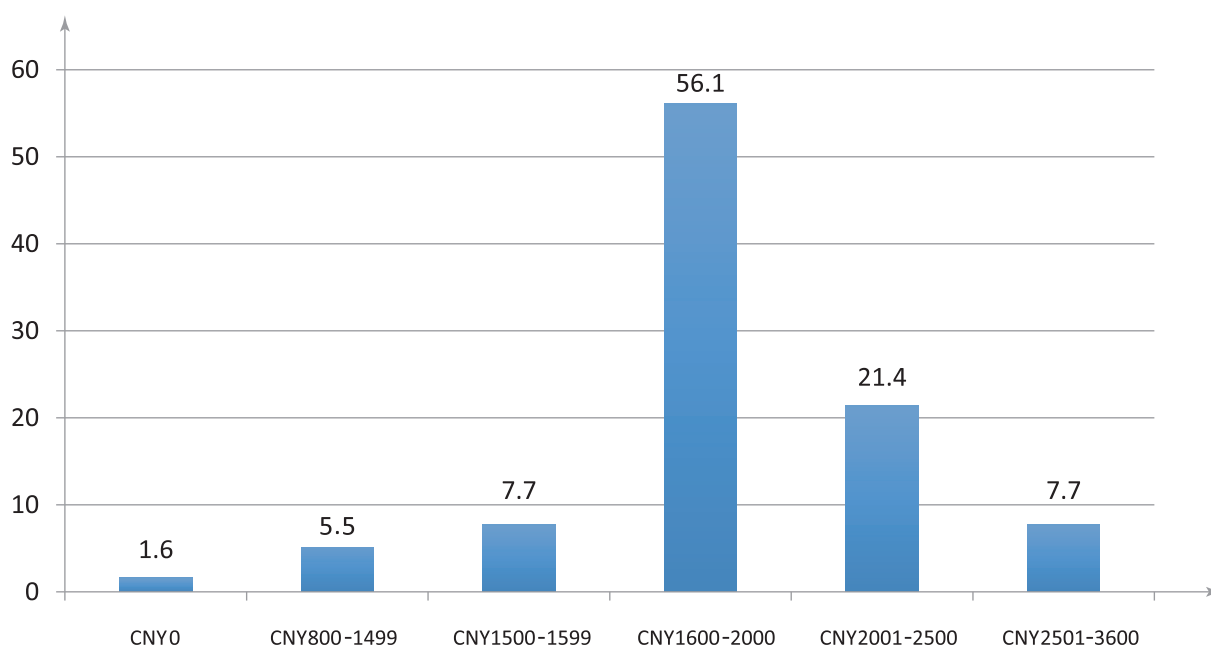
Considering weekly rest time, at least 50 per cent of interns work for over 40 hours every week (Figure 9). As the survey was conducted between November and December when it is the peak period for producing spring and summer clothes this is likely to reflect high seasonal demand.

2.3.4 Remuneration and benefit

Regulation on Management of Internships of Students in Secondary Vocational Schools issued by Ministry of Education and Ministry of Finance in 2007 requires employers to pay interns according

to their working hours and workload, and stipulates that the pay rate shall be determined in the internship agreement. The survey found that 68.4 per cent of respondents did not know the local minimum wage level, and only 48.6 per cent negotiated their wage before taking up their internship. Among the interns who knew their wage, the actual monthly wage of 56.1 per cent is CNY1,600-2,000, after-tax wage of nearly 30 per cent of interns is over CNY2,000, and 1.6 per cent of interns are unpaid (Figure 10). In 2013, the minimum wage of regions in Shandong, Jiangsu, Fujian and Zhejiang ranged from CNY950-1,480. While the minimum wage standards do not apply to interns' remuneration, the survey results show that in practice, 97 per cent of the interns' wages reach the minimum wage requirement.

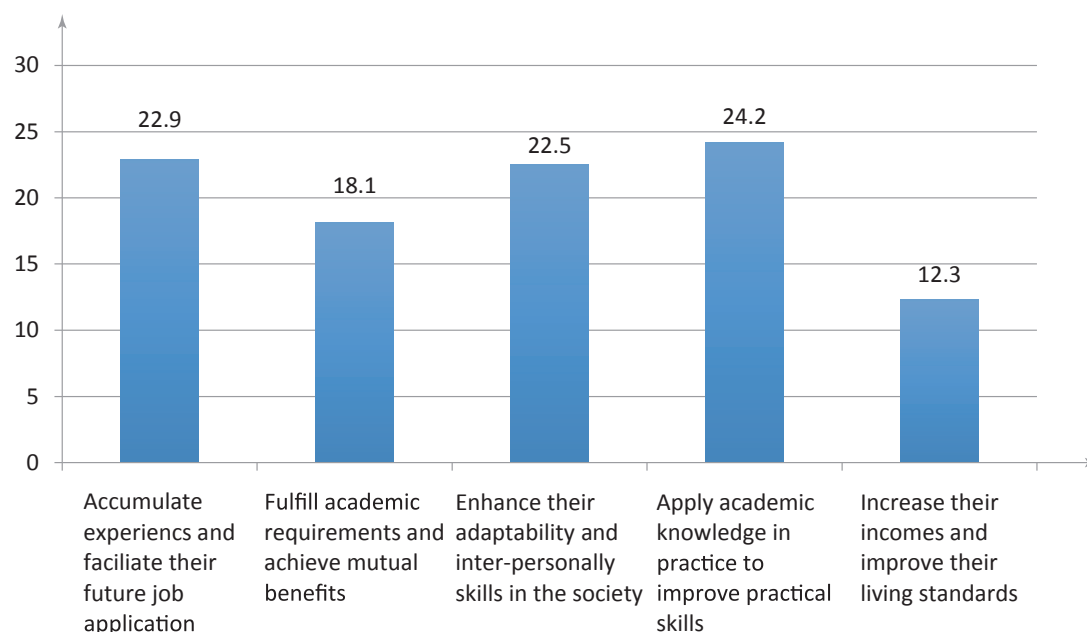
Figure 10. After-tax monthly wages of interns (per cent)



As to the method of wage payment, 85.2 per cent of interns said their wages were directly paid by factories, and 13.4 per cent of interns said they did not know who paid their wages; 72.8 per cent of interns said schools would not make deductions from their wages, 25.4 per cent did not know whether schools would make deductions from their wages, and 1.7 per cent said schools would make deductions from their wages.

Moreover, it is worth mentioning that most interns in interviews said that remuneration was not the primary goal of their internship. Interestingly, increasing interns' income is also the least frequently chosen reason for internships chosen by managers (Figure 11).

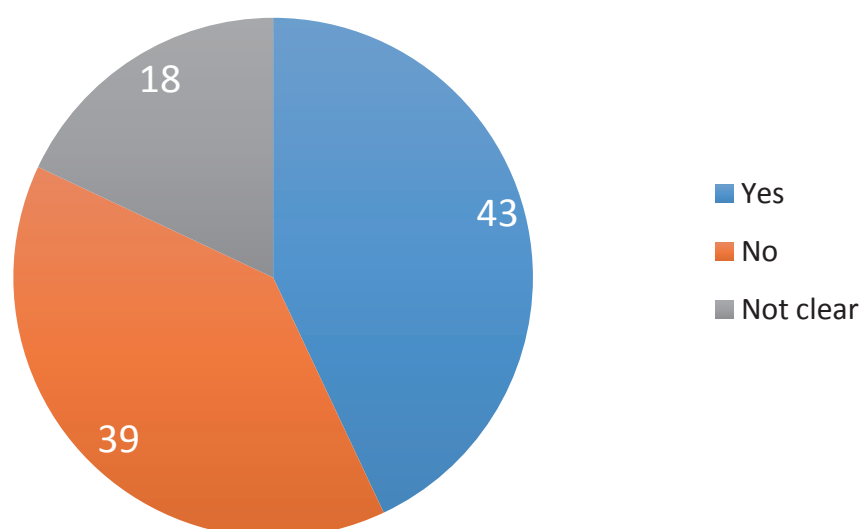
Figure 11. Benefits of the internship to interns (percent) (survey of the managers)



2.3.5 Personal insurance

Survey results show that the coverage rate of personal accident insurance among interns is relatively low. Overall, 42.6 per cent of interns said they were covered by a personal accident insurance. Among these interns, 61.5 per cent were covered by factories and 24.6 per cent were covered by schools. Meanwhile, 39.1 per cent of interns made it clear that they did not hold personal accident insurance, and 18.3 per cent of interns were unclear about whether they held personal accident insurance (Figure 12). This indicates that enterprises and schools lack awareness of the risks of work-related injury. Based on the general principle of Chinese law, employers must bear work-related risks. But as interns are students, enterprises are not explicitly required to cover work-related insurance for interns.

Figure 12. Interns' personal accident insurance status (per cent)



As regards internships of secondary vocational school students, Regulation on Management of Internships of Students in Secondary Vocational Schools issued by Ministry of Education and Ministry of Finance in 2007 states that the school should discuss with the employer to cover the necessary insurances for students. Moreover, the Notice of China Insurance Regulatory Commission on Promoting Student Internship Liability Insurance in Secondary Vocational Schools issued by the Ministry of Education and the Ministry of Finance in 2009 regulates issues such as insurance coverage, subjects and objects. It also points out that student internship liability insurance “shall cover the whole process of internship activities, including liabilities that shall be borne by schools when students suffer personal accidents and work-related injury identified by laws, regulations and administrative rules while taking internship, and relevant legal expenses and third party liability for student internship”. Subjects who shall take out such insurance include secondary vocational schools approved by the government, while objects covered are secondary vocational school students participating in internship placement and teaching training. In terms of practical arrangement, the Notice stipulates that such student internship liability insurance shall be purchased “for the last year of the training programme or for the duration of the internship period”. As regards college students’ internships, no relevant regulations have been issued yet. In this case, commercial insurance like personal accident insurance is a good solution.

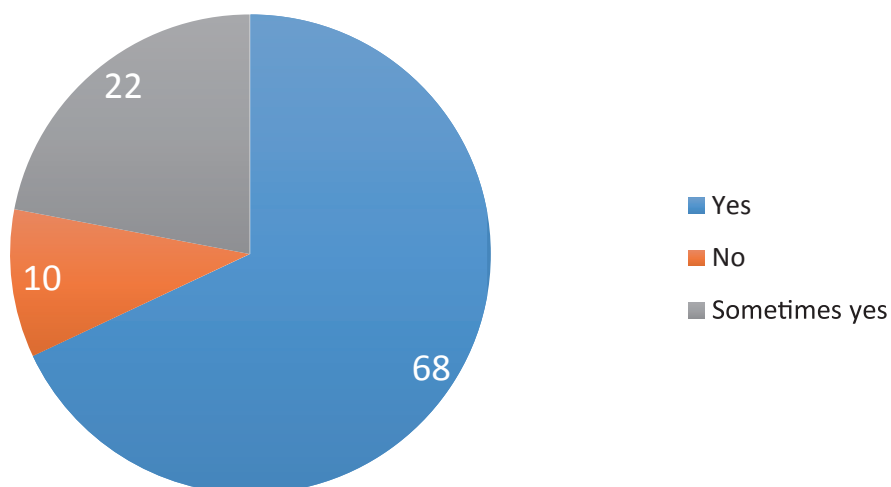
Moreover, it is recommended that enterprises and schools establish and improve internship risk management mechanisms and occupational health and safety management mechanisms, provide interns with safe and sanitary working environment, and enhance interns’ risk awareness and self-protection ability.

2.3.6 Freedom of movement

Survey data shows that nearly 70 per cent of interns enjoyed full freedom of movement and were able to leave the factory at non-working time. However, 22 per cent of interns stated they were only able to leave the factory at non-working time under certain conditions. Most common conditions cited include obtaining the leader’s permission (70.4 per cent), only being allowed to go out at appointed time (17.3 per cent), and only being allowed to go out for a while (11.1 per cent) (Figure 13).

Workers should enjoy full freedom of movement during non-working time, including the freedom to leave the factory, and limitations to this freedom can be considered an indicator of forced labour. In some cases, mainly when workers live in dormitories, enterprises can adopt rules and regulations based on reasonable reasons to, for example, establish a “rest time” to limit the hours when coming and going from dormitories is permitted. Rationale for such rules should however be explained to the interns. Requirements such as need to obtain the leader’s permission to go out cannot be considered a reasonable and effective management measure.

Figure 13. Interns' freedom of movement (per cent)



Withholding identity cards and the payment of deposits are two common ways of restricting workers' freedom. The Labour Contract Law issued in 2007 explicitly prohibited such behaviours. The survey results show that 97.9 per cent of interns did not need to give the identity card to another person, 97.2 per cent said they did not need give student cards to others, and 93.4 per cent said they did not need pay deposits for internship. Two interns said they paid a CNY200 deposit, and one said they paid a CNY 500 deposit. It seems that the two means for restricting workers' freedom of movement that used to be common in the past have thus been generally abandoned by the factories.

2.3.7 Occupational safety and health

The survey results show that most interns were satisfied with the safety and sanitation conditions in their workplace. Over 85 per cent of interns stated that their workplace was safe and sanitary, or safe and sanitary in most cases. Among the 195 interns living in a dormitories provided by their factory, nearly 90 per cent thought these were safe and sanitary, or safe and sanitary in most places at most of the time (Figure 14 and Figure 15).

Figure 14. Safety and sanitation conditions of workplaces (per cent)

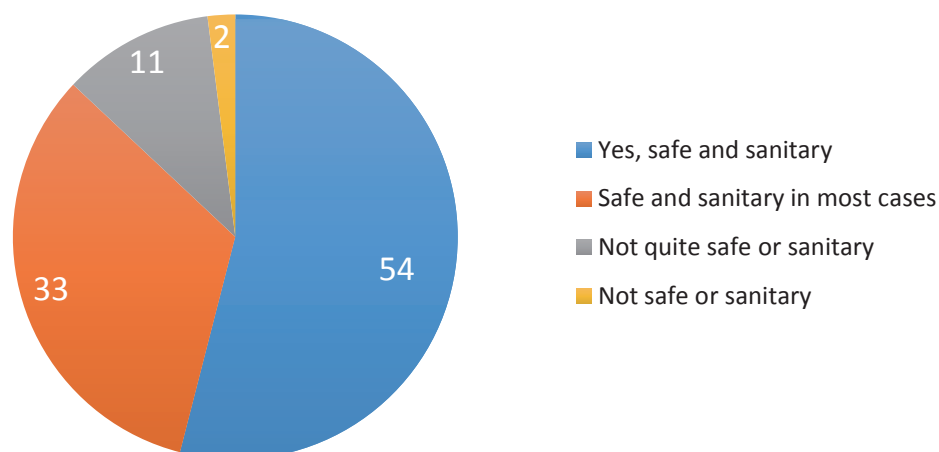
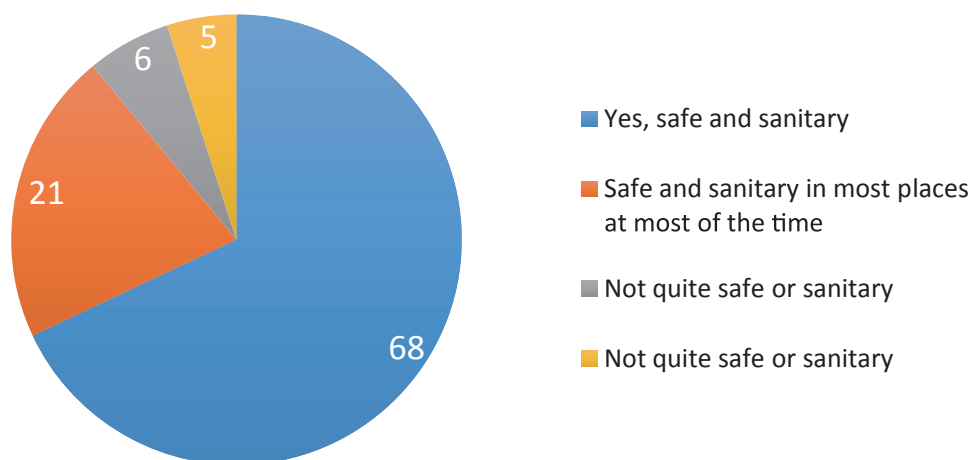


Figure 15. Safety and sanitation conditions of dormitories (per cent)



“If I hadn’t worked in workshop, I would not know how cotton is spun into thread, I would not know so many materials, I would have no idea about its original state, and I would not understand so many processes. I also learned how hard workers work and how diligent they are.” (Intern)

2.3.8 Disciplinary measures and internal communication

Adequate use of disciplinary measures and internal communication mechanisms in enterprises are crucial to protecting the rights and interests of interns, especially avoiding forced labour. In general, 95.5 per cent of interns said that no one inflicted them with violence or threats of violence in factories, and 92 per cent of interns said no or very few people carried out verbal abuse.

As to internal communications, 90.3 per cent of interns said they knew how to ask for help or to report issues when they encounter problems, but 9.7 per cent of interns said they did not know how to do this. In practice, 17 per cent of interns had taken the initiative to ask others for help. Among them, 70 per cent had made inquiries in order to learn about job content and the operation and maintenance of equipment, followed by those who had asked questions about working time and working condition (8 per cent each). This shows that the new generation is willing to make good use of internal communication channels, with the aim to do well in work and learn skills.

“I was not too talkative, but I became outgoing after work. After going out of school to the society, it was difficult to deal with interpersonal relationship. I feel I’ve improved a lot in this aspect over the past one year.” (Intern)

2.4 Personal feelings and development prospect

Although we found in the survey that enterprises faced various problems and challenges in recruiting interns, most interns (83.3 per cent) said they were very satisfied or relatively satisfied with their internship (Figure 16). Likewise, 76.4 per cent of interns held a positive view about whether their internship enhanced their practical skills in their field of study, and stated that the internship was very useful, greatly useful or somewhat useful (Figure 17). Also, 73.9 per cent of interns thought that the skills they had learnt at school were useful in their internship in the factory (Figure 18).

Figure 16. Satisfaction with the internship (per cent)

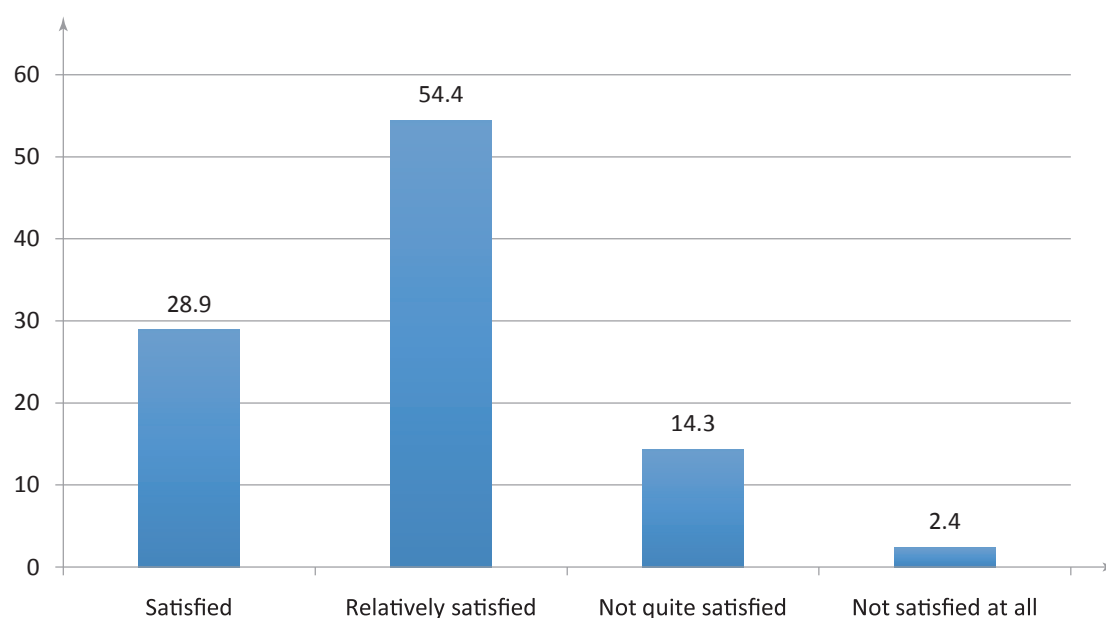


Figure 17. Helpfulness of the internship for interns' studies (per cent)

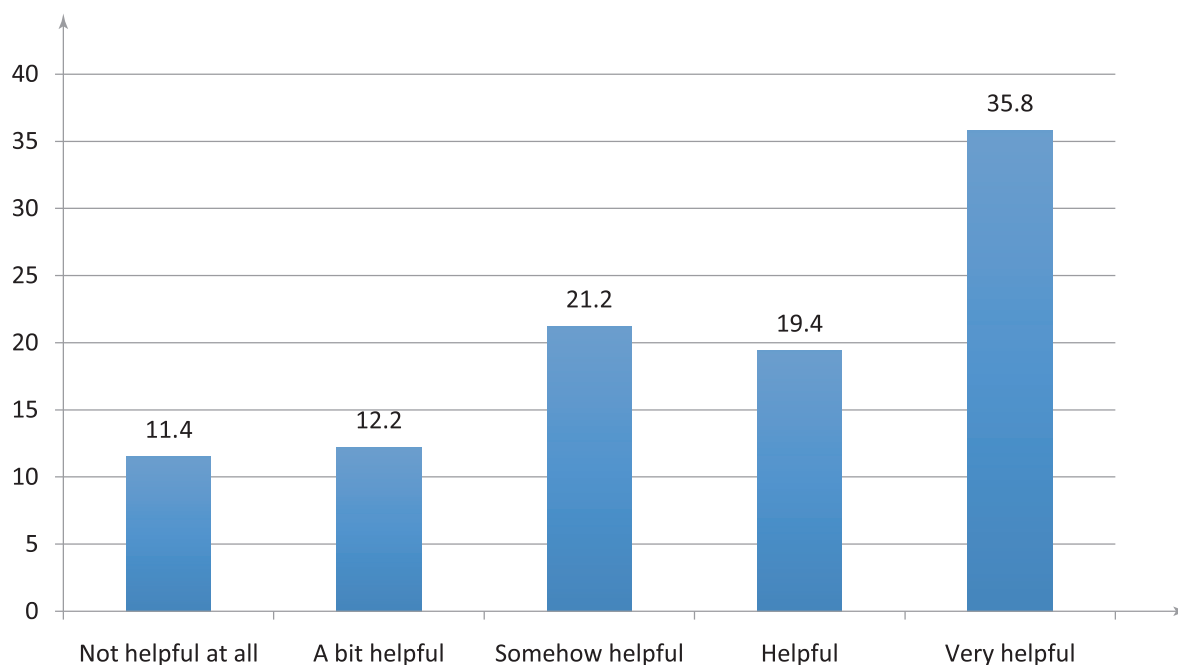
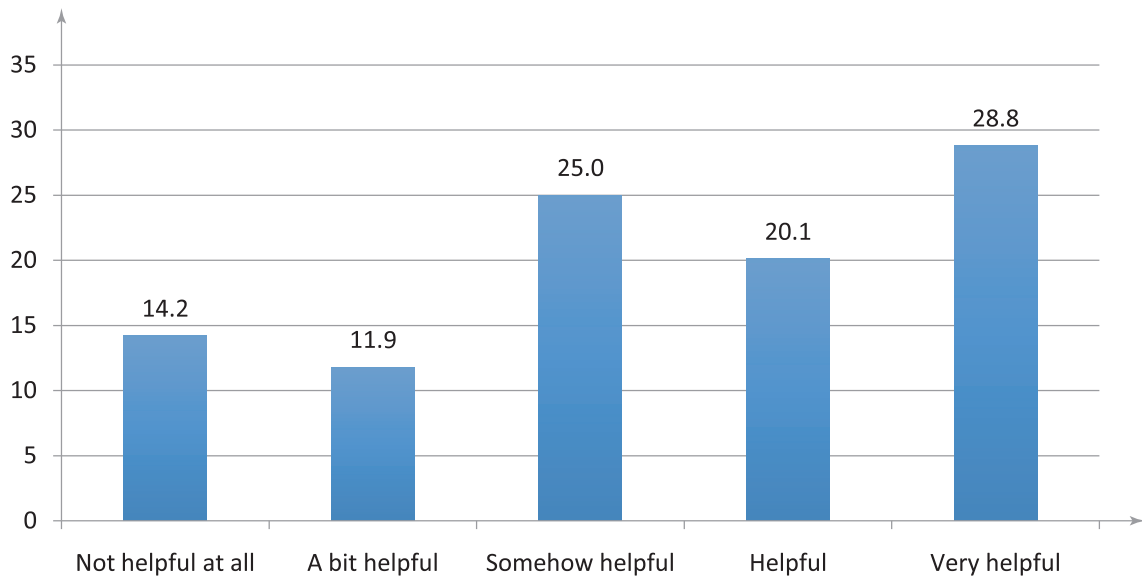


Figure 18. Helpfulness of interns' studies for the internship (per cent)



Overall, 78.1 per cent of interns reported that their internship was a great experience, while 18.8 per cent were hesitant, and 2.1 per cent held a negative attitude in this respect. Only 36 per cent of interns reported that they wished to continue working in the factory following graduation (Figure 19). It is thus clear that the interns' views about usefulness of their internships as a learning experience were much more positive than their views about attractiveness of factory work and the textile and apparel industry as a future employment option. In contrast, over 85 per cent of managers stated that they wished to continue to employ all or most interns (Figure 20).

“There is a psychological gap between an intern and a regular worker. Since I’ve received 4-year higher education, I’m not satisfied to stay in such a workshop.” (Intern)

Figure 19. Interns' wishes to continue their work (per cent)

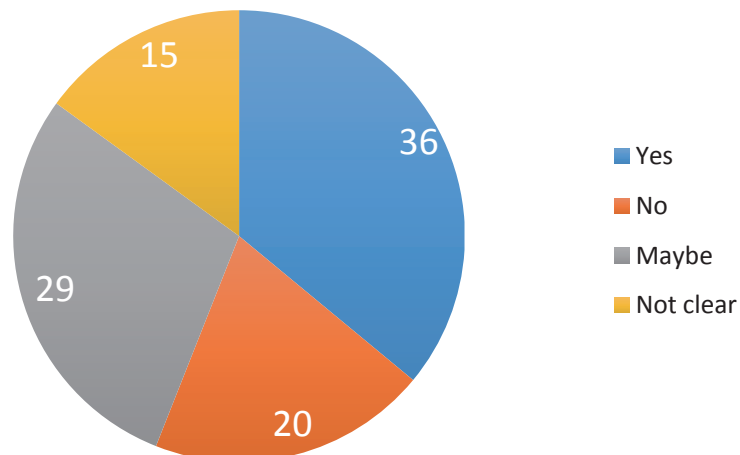
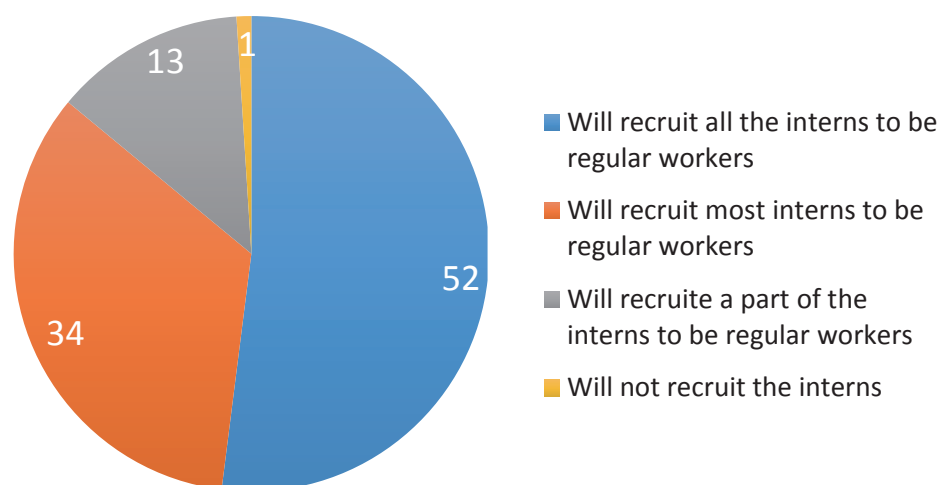


Figure 20. Employers' wishes to continuing employing interns (per cent)



2.5 Labour law benchmarking and forced labour

Further analysis was carried out to benchmark working conditions of interns participating in the survey against Chinese laws and regulations on minimum labour protection (if the standards established in general labour law were applicable to interns), and to identify to what extent the interns were exposed to forced labour. The purpose of this analysis was to show why national regulations governing internships need to be strengthened to ensure proper labour protection during internships and eradicate risks of forced labour.

2.5.1 Labour law benchmarking

Currently, interns are not protected under general labour law in China, but internships are governed under specific regulations, which do not sufficiently specify appropriate standards for interns' labour protection. As interns should enjoy minimum labour protection equivalent with that of regular workers when undertaking internships in enterprises, further analysis was carried out to benchmark actual practices in the textile and apparel industry against national minimum standards set in the labour law. Analysis of survey data shows that a little over half of interns (52.1 per cent) worked in conditions that in one way or another do not meet the national minimum standards for labour protection. These situations were identified through the following conditions associated with the work carried out and identifiable via the survey: a) having to pay for the internship; b) having to work overtime; c) being entitled to less than one day of rest per week; d) not being entitled to sick leave; e) receiving a lower wage than what was agreed; f) having restricted freedom to leave the workplace; g) not being able to retain an identity card; h) not being able to retain a student card; i) having to deposit money in order to work; or j) being imposed with violence or threats in the workplace.

Based on the analysis outlined above, the survey findings (Table 3) indicated three categories in which occurrence of violations of regulations governing internships or practices otherwise not meeting national minimum standards were the highest: rest periods, overtime work and restrictions in freedom of movement. On rest periods, 12.8 per cent of the respondents said they were entitled to less than one day of rest per week and 8.0 per cent reported they were entitled to no rest days at all. On overtime work, 17.2 per cent of respondents said that they regularly did do it, though most reported working 9-10 hours per day and none reported working more than 12 hours. Finally, on having restricted freedom of movement in and out of the workplace during non-work hours, 31.9 per cent of the respondents reported they could not freely leave their factory as they pleased, though some two thirds of these arguably could upon certain conditions. For other categories of practices not meeting national minimum standards the numbers were very low (below 5 per cent).

Table 3. Identified labour law violations among the survey respondents

Categories of labour law violations	Labour law violation indicated	No violation indicated	Share of respondents indicating a violation (per cent)
a) Having to pay for the internship	3	283	1.0
b) Having to work overtime	50	240	17.2
c) Being entitled to less than one day of rest per week	37	251	12.8
d) Not being entitled to sick leave	4	280	1.4
e) Receiving a lower wage than what was agreed	13	271	4.6
f) Having restricted freedom to leave the workplace	92	196	31.9
g) Not being able to retain an identity card	6	284	2.1
h) Not being able to retain a student card	6	282	2.1
i) Having to deposit money in order to work	7	282	2.4
j) Being imposed with violence or threats	13	276	4.5
TOTAL	151	139	52.1

2.5.2 Forced labour

As the Chinese law does not provide detailed instructions on identification of forced labour, further analysis carried out to identify the proportion of the interns who were working in conditions of forced labour was based on the the ILO survey guidelines to estimate forced labour of adults and children. This guideline employs the following operational definition of ‘forced labour of adults’ that will also be used throughout this sub-section (p.13):

... work for which a person has not offered him or herself voluntarily (concept of “involuntariness”) and which is performed under the menace of any penalty (concept of “coercion”) applied by an employer or a third party to the worker. The coercion may take place during the worker’s recruitment process [...], once the person is working [...] or to prevent him/her from leaving the job.

The analysis is built upon the analysis of violations of national regulations governing internships and benchmarking against minimum standards set in labour law presented in Section 2.5.1. Forced labour is then identified through one of two non-exclusive conditions applicable to the workers in the survey: either performing overtime work under duress, or being unable to resign from work that violates national minimum standards for labour protection. The former case is based on normally working nine or more hours per day, not being able to refuse such work hours, and risking a penalty in doing so – either through a financial fine, threat of dismissal or expulsion from school, or violence and language abuse. The latter case is based on the inability to quit work that violates national minimum standards for labour protection and risking a penalty in doing so – either through a financial fine or being expelled from education. Under both cases, the analysis identifies forced labour only when work is undertaken involuntarily under conditions that violate national minimum standards for labour protection and is enforced through a penalty or the threat of some tangible menace.

Analysis of survey data on indicators of forced labour shows that one in every seven interns (14.8 per cent) worked in conditions indicating forced labour. Based on the analysis and definitions outlined above, the survey findings indicated three key results. First, the survey found that 8.2 per cent of the respondents did overtime work under duress and with a threat of punishment. Second, the results found that 8.0 per cent of those whose working conditions did not meet the minimum standards for labour protection (based on the categories identified above) felt they could not leave their work and were faced with a threat or punishment. Finally, combining these two categories for the entire sample, the analysis concluded that 14.8 of those surveyed were carrying out in involuntary and coercive work during their internships constituting a situation of forced labour (Table 4).

Table 4. Identified indicators of forced labour among the survey respondents

Categories of forced labour	Involuntary and coercive work	Voluntary work	Share of respondents indicating involuntary and coercive work (per cent)
Indicator of performing overtime work under duress	23	257	8.2
Indicator of being unable to quit work in substandard conditions	23	265	8.0
Forced labour, based on the above two indicators	43	247	14.8

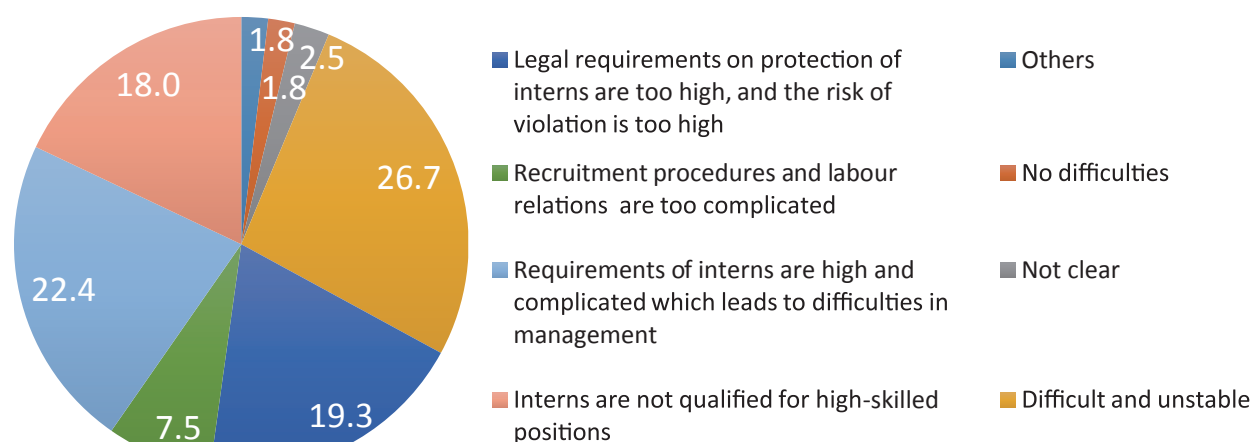
2.6 Managers' perspectives

Of the 91 managers from ten enterprises who completed the questionnaire survey, there were ten senior managers (deputy general managers and above), 42 workshop and department supervisors (middle managers), and 36 low-level managers (including line supervisors and group leaders).

2.6.1 Understanding of phenomenon of internships

Over 85 per cent of managers knew that their enterprises were organizing internships, while 11 per cent stated they did not know. Also, 34.8 per cent further stated they knew that local enterprises in the same trade were extensively relying on interns. Although 75 per cent of managers thought that organizing internships was worthwhile, many managers also found recruiting interns to be difficult. Most commonly cited difficulties included availability and the fact that interns have high requirements and are difficult to manage (Figure 21).

Figure 21. Difficulties in recruiting interns (per cent)



2.6.2 Understanding of regulations governing internships

Most (92.3 per cent) managers know that enterprises are allowed to organize internships according to Chinese laws but that some conditions should be complied with, while 5.5 per cent managers mistakenly thought organizing internships is forbidden. Some gaps were also identified in managers' understanding of the specific requirements for organizing internships. Specifically, 21.8 per cent managers thought there is no need for any internship agreement or contract, and 21.8 per cent managers thought interns' remuneration does not need to meet the local minimum wage.

Managers also indicated an urgent need for training or guidance on the labour protection of interns. 78 per cent of enterprise managers stated that they need guidance documents and training on the labour protection of interns, while the proportions of managers who only needed guidance documents or training reached 16 per cent.

“Actually our cost of engaging interns is not less than that of employing ordinary workers. We provide them with the same working conditions, wages and benefits as ordinary workers. Besides, we provide education and training for them. I think this is more of social responsibility as few of them will stay.” (Human Resources Manager)

3 Summary of key findings

Based on the survey results outlined above, the key findings and issues of concern relating to government policy and the practices of schools and enterprises can be summarized as follows:

3.1 Issues relating to education and human resources policy

The legal identity of "interns" must be defined, and minimum standards for their labour protection and rights need to be established. Currently, internships are not considered as employment but part of studies, and interns are therefore not covered by labour protection. Clear minimum standards – equivalent with those of regular workers – need to be established with regards to remuneration, working hours, rest periods and other working conditions of interns. Interns should also be entitled to employment injury benefits and to join trade unions in the same way as other workers. Wage deductions, charging of fees, retention of identity cards, and limitations to interns' freedom of movement or ability to quit the internship should explicitly be prohibited. Interns younger than 18 years of age should also be protected against hazardous work.

Coordination and coherence between labour laws and education laws must be enhanced. The scope of application and requirements of current regulations are not sufficiently coordinated, which leads to significant gaps in the labour protection of interns. Cooperation among labour authorities and education authorities needs to also be improved to ensure effective implementation, and relevant regulations need to also establish clear mandates to relevant authorities for supervising their implementation. Labour inspection should be given authority to promote compliance with protective regulations, regardless the authority overseeing the training programme.

Internships should only be permitted if the internship programme is embedded in publicly designed and approved training programmes, which ensure a level of commitment by the authorities to contribute, support and oversee the training of interns. Internship programmes of schools and universities must be governed by adequate rules and regulations for the protection of students and the schools. Rules and regulations should also define the minimum, relevant technical knowledge and skills which must be achieved, as well as the responsibilities of schools and enterprises in relation to the management of internships and training, guidance and protection of interns.

3.2 Issues relating to school practices

While compulsory internships can be a legitimate part of a publicly designed or approved educational/training program, it needs to be ensured that all interns are able to quit and change to another

internship placement if they are not satisfied, or the interns cannot meet the requirements of his/her education/training programs. Punitive measures identified in the survey, such as expelling students or withholding their diplomas if they refuse an internship or want to quit, should not be used to facilitate internships. Such practices go against the protection of interns' rights and may even constitute forced labour.

Students' participation in planning and organizing the internship must be enhanced to ensure that internships meet their individual needs and allow them to learn practical skills relevant in their trade. The survey results show that most schools took care of all arrangements, and students had a low level of participation.

Schools should always sign tripartite internship agreements with students and enterprises before the internship. Survey results show that only a minority of interns had signed a tripartite internship contract.

Supervision and guidance for internship must be strengthened. Survey results show that the schools did not provide the interns adequate guidance before the internship, and did not supervise them sufficiently during the internships. Oversight of the enterprises during the internships should also be improved. At the end of the internship, an evaluation of the student should be provided by the school to ensure that the expected learning objectives identified at the beginning were achieved.

3.3 Issues relating to enterprise practices

Enterprises' perception of interns must be changed. The survey results show that enterprises regard internships as a short-term solution for relieving labour shortages. They did not make full use of interns' specialized knowledge and ability to perform technically more demanding tasks. This may have decreased interns' job satisfaction and willingness to work for the company after graduation.

Enterprises' responsibility for "protection" and "cultivation" must be defined. Survey results show that only a minority of interns had signed a tripartite internship contract and the coverage of employment injury insurance was low. Some interns were unable to quit or to refuse overtime work beyond limits set in national regulations, or had their freedom of movement restricted during non-working hours. Such practices should be entirely eradicated to avoid possible reputational damage and accusations of forced labour.

The enterprise management system for interns must be strengthened and their compliance with national regulations improved. The survey shows that enterprise managers' awareness of current regulations on interns' rights were insufficient and enterprises lacked a risk management mechanism for labour protection of interns. Nor did they have the enterprise management systems and internal communication mechanism that are targeted at young interns.

4 Conclusions and recommendations

Internships can be very helpful arrangements for enterprises, schools and students, when they are properly planned, supervised and managed. However, improper organization of internships has reflected the importance and urgency of regulating internships and protecting interns' labour rights. At worst, organizing internships in unacceptable conditions can cause scandals at home and abroad, including accusations of forced labour. Ensuring that internships provide students with a genuine opportunity to learn practical skills relevant to their trade or specialization requires governments, schools and enterprises to fulfil their own responsibilities in this regard. In addition, rights awareness among students and interns themselves should be strengthened and their active role in career planning and self-development enhanced. The recommendations for governments, schools and enterprises arising from this study are summarized below.

At the policy level, the central government needs to mobilize education authorities and human resources authorities to perfect the existing laws and regulations, and urgently establish clear minimum standards for labour protection and rights of interns from vocational schools and colleges in the labour law system and education law system. Local governments need to hold their urge of acting as labour agencies for the sake of the interests of local enterprises, and not engage in assigning or allocating students of local schools to enterprises for internship. They should, instead, effectively perform their statutory duties, and strengthen supervision and guidance on organizing internships in enterprises and schools' internship activities.

At the school level, schools of various types must acknowledge the educational function of internships and ensure that internships allow interns to learn practical skills relevant to their trade. Internships should not be allowed to become a channel for outsourcing cheap labour power or generating profits. Before internships begin, schools should, on the one hand, conduct full investigation and rigorous selection of the enterprises that receive students, and make sure they not only have the posts and instructors required for organizing a meaningful internship, but also have good management, labour protection and treatment. On the other hand, schools should clearly define the internship requirements in relevant teaching programs or evaluation systems, and provide students participating in internship with practical skills training relevant to their internship posts. After internship begins, schools should supervise and give guidance to the internship activities through various channels, and actively communicate with enterprises on any problems encountered by students during the internship. Importantly, schools need to plan the methods of evaluating internship in a prudent and scientific way, especially if the internship is a compulsory part of the training programme.

At the enterprise level, enterprises must change their perception of internships from “use of labour” to

“use of talents”, and discover and nurture interns' strengths and potential. They need to better match the interns' knowledge, skills and expectations with the enterprises' demands for talents to create more value for enterprises, increase interns' loyalty and satisfaction with the internship. In terms of practical operations, enterprises should fulfil two important duties in using interns by establishing and perfecting a series of management measures, namely “protection” (preventing risks of forced labour) and “cultivation” (increasing quality of talents). Enterprises should perceive internships as a long-term strategy for easing challenges with recruiting and retaining highly-competent people, rather than short-term strategy for addressing labour shortages. Therefore, enterprises must take strategic measures to fill the gap between the use of interns and the enterprise's objective of sustainable use of talents.

Labour protection of interns in Chinese textile and apparel enterprises

In the past three decades, China has become the world's largest producer and exporter in the textile and apparel industry. Manufacturing companies in China also have been expanding their internship programmes for vocational school and college students since a few years. When properly planned, supervised and managed, internships can be a fruitful learning experience for the students, facilitating the school-to-work transition and bringing benefits to both enterprises and schools. However, lack of attention to the protection of interns' labour rights during the internship may lead to new challenges in the field of corporate social responsibility, including accusations of forced labour.

This report presents the results of a study carried out by the Office for Social Responsibility of the China National Textile and Apparel Council (CNTAC) with support from the International Labour Organization (ILO). The study hopes to document some of the actual conditions in which internships are carried out in the textile and apparel industry, and to develop recommendations on how to improve the management of internships. Research for the study was carried out in November and December 2013 in ten textile and apparel sector enterprises in Jiangsu, Shandong, Fujian and Zhejiang provinces.

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