



HIDDEN COST OF BEAUTY

THE RISK OF
CHILD LABOUR
IN CANADIAN
COSMETICS



Child Labour in Canadian Cosmetics

The Canadian cosmetics market, valued at \$11.5 billion (USD) in 2015, is expected to grow to \$15.8 billion (USD) by 2021. This growth should not come at the expense or exploitation of vulnerable children.

Most Canadians are unaware that incandescent makeup usually contains mica – a mined mineral often linked to child labour and human suffering. That eye colour palette or highlighter may give a Hollywood glow, but further down the supply chain there's a chance that children as young as five years old are risking their childhood, the hope for education, and even their lives to mine this raw material.

Photo: A child who should be attending school instead spends his entire day breaking off mica flakes, which will add glitter to cosmetics.



HIDDEN COST OF BEAUTY

Prized within the industry for its ability to reflect and refract light, mica is an important ingredient in highlighter, blush, eye shadow, lipstick, nail polish, foundation and body/hair glitter. Although mica is also found in everyday products such as ink, car paint, phones, cables and toasters, mica's connection to the cosmetics industry and to child labour in mining is not well known among Canadians. This is why World Vision Canada is raising awareness about the hidden costs of mica.

The cost of beauty can be too high.

A quarter of the world's mica comes from illegal mining in India, where over 22,000 children work in dangerous conditions that put their health and life at risk. Child mica miners are exposed to hazards ranging from long-term exposure to toxic air that can lead to chronic and fatal lung diseases, to working near explosions or in underground mines that pose the ongoing risk of cave-ins. Instead of attending school, they work long days doing hard labour, earning a wage that perpetuates the cycle of poverty.

REPORT FINDINGS ARE A CALL TO ACTION

Cosmetics companies operating in Canada are in jeopardy of contributing to child labour in their supply chains. The majority of the 60 companies we evaluated for this study are failing to publicly demonstrate the steps they are taking to identify, prevent and mitigate the risk of child labour.

- **\$798.2 million (CAD) in Canadian imports of common makeup products are at risk of having child labour in their supply chains. This includes eye, lip and face makeup and nail preparations, but does not include additional products that typically contain mica such as sunscreen, suntan lotion, deodorant, toothpaste, shampoo and conditioner.**
- **Over the last 10 years, the value of risky goods has increased by 136% from \$338.7 million (CAD) in 2008.**
- **Thirty nine of the 60 countries reviewed (65%) provided no public information about their efforts to prevent the exploitation of children in their supply chains.**
- **Consumers are unable to inform themselves about ingredients in common makeup items. Many products are not labelled clearly nor are they coded for their contents, which means the number of risky products could be much greater.**

RECOMMENDATIONS

Child labour is a significant human rights violation. It deprives children of their childhood, education, health and hope, and it perpetuates poverty. Child labour is preventable, not inevitable. Consumers and the private and public sectors can each play distinct roles to ensure that the worst forms of child labour are eradicated for good.

- **Canadian consumers** should ask cosmetics brands to determine if child labour is part of their production process, if they have preventative measures in place and, if incidences were found, how they intend to rectify these human rights violations.
- **Cosmetics companies operating in Canada** should commit to measures of due diligence, such as:
 - making public commitments against child labour and advocating for children's best interests;
 - clearly outlining expectations of suppliers through defined codes of conduct;
 - assessing supply chains to determine where child labour could exist;
 - training staff and suppliers to monitor conditions and implement standards;
 - carrying out unannounced third-party auditing;
 - introducing formal grievance mechanisms for workers to report violations; and
 - publicly reporting on these efforts.
- **The Government of Canada** should enact supply chain [legislation](#) that, at a minimum, requires companies to post comprehensive statements outlining the steps taken to address child labour in their supply chains, following jurisdictions such as the [UK](#), [California](#), [Netherlands](#) and [France](#).



Children as young as five years old collect flakes of mica up to 12 hours a day.

World Vision Canada has chosen not to cite the names of the companies in this report. Our intent is to encourage consumers to question cosmetics companies about their commitment and actions to address child labour, and to encourage the Canadian government to legislate transparency requirements for these companies.

Mica Mining: Global Problems

Mica is a highly desired mineral that gives makeup, car paint and ink its pearlescent finish.

While mica is mined in countries such as China, Brazil, United States and Canada, 25% of the global production of mica is sourced from Jharkhand and Bihar states in India. In these two states alone, more than 22,000 children – some as young as five years old – toil in small-scale mines.

No child should be engaged in hazardous work like mica mining, and Indian law prohibits children younger than 18 from doing this work. However, the law permits young children to work in family enterprises outside of school hours and on holidays. This loophole is significant because most mica mining is carried out by small, family-run enterprises. In Jharkhand and Bihar states, literacy and school attendance rates are below average, and poverty is rampant. Despite these significant consequences, villagers engage in mica mining because often it is their only source of income.

Only 10% of mica mines in Jharkhand and Bihar are legal, which means that most mines aren't regulated and most labour laws aren't enforced.

Explosives or air-compressed hammers are used to crush rocks, and children perform heavy physical labour in dangerous conditions that include mining in shafts up to 300 metres deep. Some child labourers don't attend school because they work five to six days each week, up to 12 hours per day. In addition, their work day could begin with an eight-kilometre walk to the mine, and their journey home would involve carrying about 15 kilograms of mica to sell to the intermediaries in town.

Mica-producing countries where child labour has been found or is suspected



Despite the significant health and safety risks they face, children and adults working in mica mines earn only \$1.87 to \$2.18 (CAD) a day.

The ongoing threat of a mine cave-in is the biggest danger that child miners face. In 2016, a three-month investigation by Thomson Reuters found that seven children had died in the span of two months working in the depths of mica mines.

Toiling away in airless quarries for hours means child labourers inhale dangerous gases as well as quartz in silica dust, which is associated with pulmonary tuberculosis and other respiratory diseases, and has the potential to lead to deadly lung diseases like silicosis. Children can also experience broken bones, exhaustion and heatstroke.

In addition to these significant risks, girls and boys who mine mica are exposed to other forms of violence, abuse and exploitation by virtue of being away from their caregivers, alone in their work or in transit, and placed in inherently vulnerable situations resulting from the unequal power dynamics between children and their employers.

The supply chain of mica is complex, making child labour challenging to address.

Intermediaries buy mica after it has been extracted from informal mines, and transport the mineral to the nearest trading centre, where they sell to other intermediaries or directly to exporters. Pigment producers purchase the mica for manufacturing purposes, and then sell to cosmetics brands we see lining the shelves of local pharmacies and beauty stores.

One quarter of the world's mica comes from small mines in Jharkhand and Bihar where child labour is widespread. It is therefore very possible that Canadian cosmetics products that have mica in them are using a raw material mined by the hands of a child.

How Is Mica Used in Cosmetics?



Source: Centre for Research on Multinational Corporations, 2016

Consumer Demand

The Canadian cosmetics market, valued at \$11.5 billion (USD) in 2015, is expected to grow to \$15.8 billion (USD) by 2021.

\$798.2
million
in cosmetics imports
into Canada
in 2017



Canadians are frequent consumers of cosmetics, with 42% purchasing beauty products on a minimum of a monthly basis.

Canadian consumers are a lucrative market for cosmetics products and, as such, can use their collective power for positive change. Currently, most cosmetics brands don't offer evidence of their due diligence in ensuring that no child labour exists in their supply chains. These companies should be required to identify, prevent and mitigate any actual or potential adverse human rights impacts.



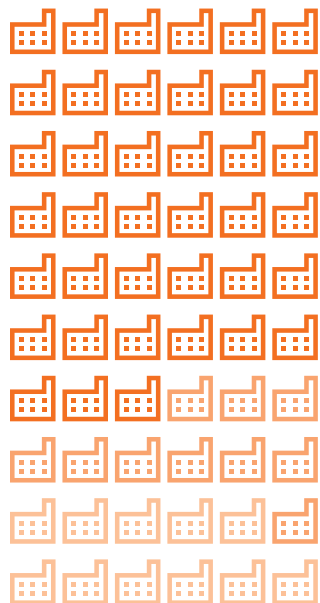
Canadian consumer demand for makeup products that normally contain mica has increased by 136% since 2008. In 2016-2017, 60 companies imported \$798.2 million (CAD) of these products into Canada, representing a significant risk of child labour in their supply chains.

The 60 companies reviewed by World Vision in this study range from large multi-national corporations to small-sized businesses, and include manufacturers, distributors and retailers. We've chosen not to identify their names. Our study's intent is to encourage Canadian consumers to ask their favourite brands about their mica use and commitment to ensuring human rights are protected and respected in their supply chains, and to ask the Canadian government to make transparency a requirement of these companies.

up
from
\$338.7 million
in 2008

Corporate Transparency

After a review of the publicly available materials of these 60 companies, we found that:



65% didn't provide any public evidence of their efforts to prevent the exploitation of children

17% provided very little or incomplete evidence

18% provided detailed evidence

This lack of information makes it incredibly difficult – if not impossible – for conscientious Canadian consumers to assess whether the companies that produce their favourite brands are taking adequate steps to protect children from exploitation.

91% of Canadians agree that the government should require companies to publicly report on who makes their products and what they are doing to reduce child labour in their supply chains. (Source: Ipsos, 2017)

70%

of companies did not have any publicly available statement indicating their organizational commitment or accountability to addressing child labour.

72% of companies did not have any publicly available document outlining their standards and expectations of suppliers.

83% of companies did not publish any information on their efforts to ensure staff and suppliers were aware of, and adequately trained on, supply chain risks and company policies regarding child labour.

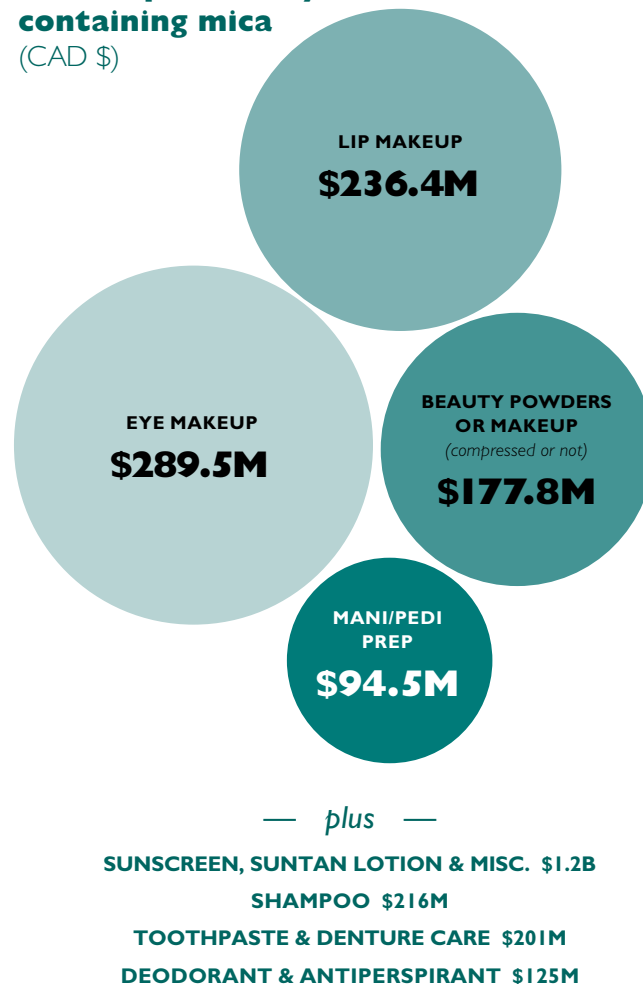
95%

95% did not publish information on grievance mechanisms for workers to report violations of standards or processes to respond to reported violations of child labour or other human or labour rights.

77% of companies did not publish any evidence of an auditing process.

92% of companies did not publish any evidence of key audit metrics.

Value of Canadian cosmetic imports in 2017 potentially containing mica (CAD \$)



The Children who Mine Mica

We profiled three children working in mica mining to illustrate the health and safety hazards that they face daily — alongside tens of thousands of other mica child labourers. In addition to these dangerous conditions, these children are affected by lack of regular access to education and healthcare, which impedes their overall development.

CASE STUDY WORK VS. SCHOOL

“If I could, I would definitely go to school,” says Pavan. “But I have to work here.” Using his spade and his strength as a 10-year-old boy, he cracks into a chunk of the ground. When the tools don’t do the job, he resorts to his bare hands.

Pavan is hunting for mica flakes.

After a full day’s work – 7:30 in the morning to 6 at night – and collecting more than 20 kilograms of mica, Pavan, his younger brother and their mother, Kiran, make 200 rupees (\$2.95 USD).

“Of course, I want to send my children to school,” Kiran says, “[but] there is no other livelihood for us, except this.”



With his family, Pavan will collect 20 kilograms of mica daily, earning less than three dollars for their labour.

CASE STUDY STRONG BUT SILENT

Seeta, 14, collects a basin of rubble and throws it on the ground to let it dry.

A World Vision India field representative tells Seeta that she is very strong. Seeta smiles but says nothing. Her mother, Kajal, is perched at the edge of the mica mine, gathering rubble. “She can’t speak, and she can’t hear you,” Kajal tells the representative. “She’s simply smiling at you.”

Seeta has been hearing and speech impaired since birth, and she’s afraid to go to school because of her challenges. Her father passed away eight years ago, and since then, she has been working with her mother to help earn a living.



Going to school would be enough of a challenge for Seeta, but she would also need special education with her disability.

CASE STUDY A FAMILY LEGACY

Fine mica dust brushed on the dry earth makes the ground shimmer. The mine is busy under the hot morning sun at 40 degrees celsius.

Six-year-old Roshni and her four-year old brother, Kamal, sit at the mouth of a cave picking tiny flakes into a bowl. They’re are paid 10 rupees (\$0.15 USD) per kilogram. They treat it like a game to get through the day. The cave is narrow and pitch-black.

“My grandfather did this, my father did this, and now I do this,” says Karan, their father. He says this knowing this job will continue to run in the family.



This mining cave is six feet tall and three feet wide, but gets smaller as it goes deeper – tight spaces only children can go.

Action Needed

Child labour, including in supply chains, is a complex problem that requires a multilayered approach. Mica mining is dirty, dangerous and degrading work for children. It must be addressed holistically by targeting its root causes: "push" factors such as poverty and limited education, and "pull" factors such as the demand for cheap goods and cheap labour. Canadian consumers, companies and the government all have distinct roles to play. A unified effort can stem this problem.

Recommendations for Consumers

We encourage concerned Canadian consumers to take these steps:

- 1 Share your knowledge about the risk of child labour in cosmetics with your friends and family.
- 2 Contact your favourite cosmetics brands, and ask them what they are doing to ensure their supply chains are free of human rights violations and to make this information publicly available.
- 3 Buy ethically – use your purchasing power to support companies that have demonstrated a commitment to addressing child labour in their supply chains.
- 4 Join World Vision Canada's [No Child for Sale](#) campaign on child labour. Sign the petition asking the Government of Canada to create legislation that requires companies to publicly report on their efforts to monitor, address and prevent child labour in their supply chain.

Recommendations for Cosmetics Companies Operating in Canada

We encourage all Canadian companies that import goods with known risks of child labour to:

- 1 Write and post a statement, which is accessible and prominent, that explains your company's commitment to addressing child labour.
- 2 Assess your supply chain for risks of child labour.
- 3 Implement strong policies and due diligence processes that include:
 - establishing codes of conduct for suppliers that prohibit child labour;
 - providing training for staff and suppliers that raise awareness and build their capacity to monitor and implement these standards;
 - making unannounced visits to audit third-party suppliers to measure compliance; and
 - setting up formal, accessible grievance mechanisms to report violations of standards and a process to respond to these violations.
- 4 Clearly and publicly disclose the steps taken to address the risk of child labour in your supply chains, which will provide consumers with meaningful, comprehensive information.
- 5 Engage in dialogue and collaborative action with your stakeholders such as consumers, NGOs, investors and other companies.
- 6 Support initiatives in countries to help more children get access to healthcare, quality education, and small business or family income-generating opportunities free of human rights violations. These efforts should complement local government efforts, and be implemented in tandem with groups operating in the local context. However, these activities are not a replacement for due diligence and monitoring of supply chains.

Recommendations for the Canadian Government

We encourage the Government of Canada to review the legislation passed by the UK, California, Netherlands and France to:

Create supply chain transparency legislation that would require companies, including cosmetics companies operating in Canada, to report publicly and annually on the steps they have taken to address child labour in their supply chains.



Child miners often work far from home and the protection of guardians.

Further Reading

If you would like to learn more about the issues raised in this report, we recommend the following resources:

WORLD VISION CANADA'S NO CHILD FOR SALE CAMPAIGN

[Supply Chain Risk Report](#)

[Canada's Child and Forced Labour Problem](#)

[A Guide to Ethical Consumerism](#)

TERRES DES HOMMES

[Beauty and a Beast: Child Labour in India for Sparkling Cars and Cosmetics](#)

[Global Mica Mining and the Impact on Children's Rights](#)

DANWATCH

[Who Suffers for Beauty: The Child Labour Behind Make-up's Glitter](#)

THOMSON REUTERS

[Blood Mica](#)

RESPONSIBLE MICA INITIATIVE

[Responsible Mica Initiative Website](#)



Working underground in a mica mine is no playground for children, who must deal with toxic air, explosions and the threat of the mine caving in.

Methodology and Limitations

In this study, World Vision Canada focused on four types of cosmetics that commonly include mica in their ingredients and for which Canadian import data is readily available: lip makeup, eye makeup, nail polish and preparations, and powders and other makeup.

We used the Government of Canada's publicly available [Trade Data Online](#) database to identify the value of imports for each product and the companies that are currently importing these products into Canada. The corresponding Harmonized Systems (HS) codes for these products are HS 330410, 330420, 330430 and 330491.

We relied on the [Canadian Importers Database](#) to identify the names of the major importers – those companies that collectively account for up to 80% of all imports (in terms of dollar value) to Canada – for each of the four types of products. The initial list contained 100 companies, but after removing duplicates (the same company importing two or more product types) and consolidating parent-subsidiary company connections, the list was reduced to 60.

Our intent is to encourage consumers to question cosmetics companies about their commitment and actions to address child labour, and to encourage the Canadian government to legislate transparency requirements for these companies.

These 60 companies were assessed on the extent to which they were publicly reporting and disclosing their actions to prevent and mitigate the risk of child labour in their supply chains. Assessments were based on the following categories:

- the presence of a public commitment to addressing child labour;
- the existence of a supplier code of conduct;
- disclosure of training to staff and suppliers to address

child labour in the supply chains;

- an indication that they audit their supply chains;
- a summary of audit results or key findings results; and
- the presence of grievance and remedy mechanisms to address child labour.

Companies that published information in three or more categories were considered to be providing “detailed” information. Companies that published information in fewer than three categories were considered to be providing “very little or incomplete” information. Parent companies were assessed, and where a subsidiary or divisions of the same company were listed as separate importers, they were merged under their parent companies.

Company assessments were made exclusively on information that was readily available to the public (websites and sustainability reports), which means **they may not necessarily reflect the actual policies and practices of each company. Moreover, World Vision Canada does not claim that any of these companies import cosmetics products produced by child labour. Rather, they claim they contain a risk of child labour in their supply chains.**

Our goal through this report is to demonstrate the lack of transparency and information available to the average Canadian consumer who may be concerned about the potential risk of child labour as part of the supply chain in the cosmetics brands they use.

Finally, it is important to note that, while this report focuses on mica production in Jharkhand and Bihar, the problem of child labour in mica production extends well beyond these two Indian states.

References

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- 2 Statistics Canada (2018, May 16). *Trade Data Online: Canadian Imports*. Ottawa: Statistics Canada.
- 3 The Times of India (2018, May 9). “[From Bonded Labour to a Delhi University Graduate](#)”.
- 4 Lendel, Nina (2014). *Who Suffers for Beauty: The Child Labour Behind Make-up's Glitter*. Copenhagen: DanWatch.
- 5 Bhalla, Nita (2017, December 19) (2018, May 16). “[In Search of Sparkle: Is Corporate Inaction on Mica Condemning Indian Children to Death?](#)”. Thomson Reuters Foundation.
- 6 Mordor Intelligence. “[Canadian Cosmetics Product Market](#)”.
- 7 Statista. “[Frequency of shopping for beauty products among consumers in Canada as of March 2017](#)”.