

## Responsible Mica Initiative Publishes Landmark Reports Defining Fair Mica Worker Incomes and Wages in India and Concluding Negligible Impact on Costs to Consumers

Reports provide path forward to lift mica villages in Bihar and Jharkhand out of poverty and eliminate child labor

Paris, France - April 28, 2023 - The [Responsible Mica Initiative](#) (RMI) is excited to announce the publication of two landmark reports that demonstrate that whilst the barriers on paying fair incomes or wages for mica workers in India are still high the cost impact on finished goods using mica will be minimal. Providing living wages and incomes to workers at mica mines and processors is a vital step on the path to lift workers, their families, and their communities out of poverty and exploitation and toward a life of self-sufficiency and self-worth. The findings are key to advancing RMI's mission to establish a fair, responsible, and sustainable mica supply chain that is free of child labor.

A root cause of poverty and child labor throughout India's mica belt straddling the states of Jharkhand and Bihar has been the low prices paid to villagers for the mica they pick. Main reasons for the current price structure include pending formalization which impedes that the households profit from price increases, and intransparency in the supply chain. Therefore, the RMI prioritized alignment with the local government on formalization. To supplement meagre incomes and because village childcare and schooling has been virtually non-existent, parents had little choice but to bring their children with them to collect mica. If parents start earning enough on their own to support their families, they will not need to put their children to work. Paying adult-workers a living income or wage is likely to play a key role in reducing child labor and break the vicious circle.

To evaluate the complex interactions between mica prices, worker incomes and wages, and the impact that increases in both would have on downstream costs, RMI commissioned studies by Fair Wage Network (FWN) and BASIC, two internationally recognized experts in worker compensation and supply chain economic analyses. FWN determined the amount of a living income or wage and the mica market price increase that would be required to support fair compensation. BASIC assessed the economic impact of higher raw material prices on costs along the downstream supply chain all the way to end-market consumers.

The combined findings of the FWN and BASIC reports conclude that:

- A living income for a typical mica picker family of two adults and three children in rural Bihar and Jharkhand was estimated at 15,000 INR/month. A living wage for a similar mica family member worker in a processing unit in an urban area of Jharkhand would need to be 17,000 INR/month.
- To achieve the target rural and urban living income and wage, the average price paid to mica pickers would need to be increased five-fold, raising the average price of mica to 41 INR per kilogram from 9 INR per kilogram using 2022 data.
- Paying a fair but higher price for mica would almost always have an impact of less than a 0.1% increase in the cost of common end-products that use mica such as cosmetics, paints, or electric vehicles' batteries, among others.

To provide key findings of the two full reports, RMI prepared both an Executive Summary and a Consolidated Overview of both reports: "Establishing fair Mica Worker Incomes and Wages in India and the Negligible Impact on Costs to Consumers" which accompany this release. [The reports and key findings are also available at RMI.](#)

RMI's goal is by 2030 to work with mica supply chain members to ensure that (1)100% of the village workforce engaged in mica picking in Jharkhand and Bihar receives the higher price per kilogram of mica recommended by FWN and BASIC and (2) that 100% of workers working in mica processing units and mines earn a living wage. The ability to achieve these goals depends on enhanced and new initiatives under RMI program pillars which will contribute to removing remaining complex barriers for change. These start with the length and related complexity of the supply chain and include the lack of a robust legal framework in sourcing country, where the sector is typically dominated by artisanal and informal mica collection, and the lack of supply chain transparency which has hindered the ability to implement formal and verifiable payment mechanisms. These and other hurdles can be overcome with a matrix of strategies, on which RMI has started to work, and which include strengthening supply chain traceability, expanding workplace standards, establishing a minimum mica price, formalizing the sector under worker cooperatives, and joining broader coalitions in the mica ecosystem.

RMI was established in 2017 to improve workplace practices and eliminate child labor in the mica processing and mining sector, starting in India's states of Jharkhand and Bihar. In its six years of work, RMI has introduced programs to improve workplace health and safety, return children to school, deliver vital health, education and government services to the villages providing labor for the mines, and implement state-of-art blockchain tools to monitor and secure the mica supply chain. In 2022, RMI commissioned the FWN and BASIC reports to identify, design and implement the next steps needed to improve the lives of mica-dependent communities and eliminate child labor by securing a living incomes and wages in the sector.

***About the Responsible Mica Initiative***

*The Responsible Mica Initiative is a non-governmental organization created to establish fair, responsible, and sustainable mica supply chains globally by promoting responsible sourcing practices, and eradicating child labor and unacceptable working conditions. RMI members are drawn from industries associated with the mica supply chain in partnership with civil society organizations and local stakeholders. The Responsible Mica Initiative is an association, established in accordance with the French Law of 1901 concerning non-profit organizations, with its head office located in 6 rue d'Armaillé, 75017 PARIS - France.*

**Contact**

Fanny Frémont, Executive Director

Email: [contact@responsible-mica-initiative.com](mailto:contact@responsible-mica-initiative.com)