

Boohoo selling clothes made by Pakistani workers earning 0.35 USD an hour

Saturday 23 January 2021, by [BALOCH Shah Meer](#), [BLAND Archie](#), [KELLY Annie](#) (Date first published: 22 December 2020).

Investigation by The Guardian finds claims of safety issues, with workers saying they sometimes work 24-hour shifts

The fast fashion brand [Boohoo](#) is selling clothes made by Pakistani factory workers who say they face appalling conditions and earn as little as 29p an hour, an investigation by the Guardian has found.

In interviews in the industrial city of Faisalabad, workers at two factories claimed they were paid 10,000PKR (£47) a month, well below the legal monthly minimum wage for unskilled labour of 17,500PKR, while making clothes to be sold by Boohoo.

Documentary, video and photographic evidence also appears to support claims of potential safety issues, including motorbikes being parked indoors next to flammable materials. In the rush to produce clothes for the western market, insiders claimed workers would sometimes do 24-hour shifts.

One of more than a dozen workers interviewed said: "I know we are exploited and paid less than the legal minimum, but we can't do anything ... if I leave the job another person will be ready to replace me."

After the Guardian approached Boohoo about the findings, the company suspended a supplier, JD Fashion Ltd, and a factory, AH Fashion, from its supply chain while it investigated the claims.

Another factory, Madina Gloves, denied workers' claims that it had recently been making clothes for Boohoo. AH Fashion, which is closed for construction work, acknowledged it had fulfilled an order for the brand as recently as October.

Boohoo said a third-party audit at AH Fashion on 2 November had found the factory working with no problems. It later said its own auditors had paid a separate visit in response to the allegations and said the factory was a "building site". The auditors said they were told by the owner it had been closed throughout November for significant construction – a claim disputed by workers who said they were there more recently.

The Guardian was able to buy a [£30 tracksuit on Boohoo's website](#) this month that appeared to match fabrics and identifying labels seen in video footage filmed at AH Fashion. A week after Boohoo was alerted to allegations that the item was made by workers paid less than the minimum wage, it remained on sale.

The news comes months after Boohoo, one of Britain's best-known fast fashion brands, faced the damaging fallout from the discovery of poor conditions [in factories in Leicester](#). Since then its share

price has started to recover, and in September investors saw [a 51% year-on-year surge in profits](#).

While the firm's [code of conduct for suppliers](#) sets out a list of minimum standards that must be met by manufacturers of its clothes anywhere in the world, workers in two factories based in the Samanabad area of Faisalabad allege that:

- While some are paid the legal minimum wage, others say they earn far less and receive no receipt or payslip to record their income.
- At Madina Gloves, which manufactures a range of clothes, workers are often ordered to work unreasonably long shifts without full overtime pay, stretching to 24 hours straight before major deadlines.
- Accommodation provided by Madina Gloves is squalid and one worker said they went without running water there for days at a time.

Video footage seen by the Guardian appeared to show:

- Potential fire risks at AH Fashion, including piles of fabric stacked up in walkways and near a boiler, and one clip showing motorbikes parked inside next to cardboard boxes. A visitor told the Guardian they saw similar issues at the factory three weeks ago.
- AH Fashion workers at their stations with construction under way and scaffolding balanced on piles of bricks.

The factories, which each employ more than 100 people, denied any wrongdoing and said workers were paid in accordance with local laws. Madina Gloves said claims of low pay and mistreatment of workers were “totally wrong”, while AH Fashion said workers were always paid and treated fairly.

JD Fashion, a Preston-based intermediary that has supplied Boohoo with items produced at AH Fashion, said its last order there was in October and there was no Boohoo order currently in place, while AH and Madina denied they were currently supplying Boohoo. JD Fashion has no connection to the retailer JD Sports.

Boohoo said it “will not tolerate any instance of mistreatment or underpayment of garment workers”. It said it was unaware of its clothes being made at Madina Gloves, and that AH Fashion was not on its approved supplier list for JD for an order delivered to the UK on 11 December.

The £30 colour-block tracksuit bought by the Guardian from that consignment matched a design visible in one of the videos recorded at AH Fashion – and featured a distinctive “JD” label similar to one seen being sewn into an item in another clip.

Other videos and pictures taken at the two factories also appear to corroborate workers’ claims that they have been making clothes for Boohoo recently, with the brand’s labels and logos visible.

Auditing professionals, who asked to remain anonymous because of their position in the industry, watched the videos showing piled-up fabrics, motorbikes indoors and poles on bricks at AH Fashion, and said they considered the footage raised questions over fire risks and general safety.

One auditor who viewed the videos said they presented potential issues but not conclusive evidence of the level of risk. Another called them a possible “recipe for disaster”, and added: “If I [was asked] to do an audit, I would refuse and ask [the] brand to pull goods out of the factory immediately ... I would run out of the factory if I saw this.” AH said construction work and a lack of space were responsible.

In July, Boohoo’s stock market value [fell by £1.5bn](#) in two days over allegations that its Leicester

suppliers [forced workers to continue in cramped conditions](#) during the first Covid lockdown and [paid below minimum wage](#). The company accepted the recommendations of [a report from Allison Levitt QC](#), which described its attitude to [the plight of workers in the city](#) as “inexcusable”.

[Speaking to MPs](#) last week, its billionaire co-founder Mahmud Kamani acknowledged that Boohoo’s model of continuous expansion came with risks, saying: “In a business like ours that’s fast-growing globally, there will be things that are breaking, and all the time we are fixing them and making them better.” He also warned he could take more business overseas, saying: “For us to move out of Leicester, it’s very easy for us to take all our production offshore.”

Boohoo pointed to what it said was “immediate action” to remedy the issues found in Leicester and suggested it would take a similar approach in Faisalabad. “As part of our international compliance programme, AH Fashion received a SMETA [Sedex Members Ethical Trade Audit] audit in November 2020, where no issues of this nature were found, so these allegations are extremely concerning,” it said.

“Independent compliance and auditing specialists Bureau Veritas are on the ground in Faisalabad and we have instructed them to immediately investigate these claims ... Any supplier who does not treat their workers with the respect they deserve has no place in the Boohoo supply chain.”

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The Guardian

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