Low pay in the garment industry still a reality despite pledges - study

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Report finds fashion brands use living wage rhetoric to improve social sustainability perception

Commitments by global fashion brands to pay the living wage are not translating into "meaningful change on the ground", a study has found.

<u>A report</u> by the University of Sheffield said that, despite ambitious public commitments by clothing companies to deliver living wages to workers, low pay continued to be the status quo in the garment industry.

The researchers studied 20 global brands and found that, rather than changing their purchasing practices to ensure suppliers paid decent wages, many had outsourced their living wage commitments to external initiatives.

These initiatives aim to achieve living wages for workers through unenforceable agreements and wage commitments, the report said.

It did not go into detail about individual companies, saying the study was not a "name-and-shame exercise".

"Membership of relatively low-stringency external initiatives is allowing corporations to use the rhetoric of living wages in ways that could improve perceptions of their social sustainability and labour practices, while allowing the reality of low-wage work to persist on the ground," said the researchers.

International pressure on the garment industry to improve conditions for workers grew after more than 1,100 peopled died in the collapse of <u>the Rana Plaza building in Bangladesh</u> in 2013. Despite cracks appearing in the building the day before the disaster, garment workers were ordered to return to work.

The Sheffield study found that six years on, there was widespread inconsistency and confusion among corporations over the definition of a living wage, and a lack of transparency about the wages that were actually paid throughout their supply chains.

It also found weak enforcement of freedom of association rights, which could disempower workers from raising concerns about unmet wage commitments.

Researchers at Sheffield Political Economy Research Institute (Speri) used primary data collected through a survey of garment companies conducted by the <u>Clean Clothes Campaign</u>, as well as data they collected themselves.

Prof Genevieve LeBaron, the director of Speri, said: "There is little evidence that corporate commitments to living wages are translating into meaningful change on the ground.

"As such, consumers are purchasing products they may believe are made by workers earning a living wage, when in reality, low wages continue to be the status quo across the global garment industry."

She said corporations needed to evaluate their sourcing practices and ensure they were paying enough to allow suppliers to pay out living wages. "They need to adopt existing benchmarks and living wage calculation methodologies and clearly map out how they will achieve living wages for different tiers of suppliers and by when," she said.

"Until companies can take such steps, living wage commitments are likely to remain in the realm of rhetoric rather than leading to substantial changes that address low wages for workers in the global garment supply chain."

Tom Hunt, the deputy director of Speri, said the global garment industry was "extremely profitable" but workers in the supply chains were not benefiting from the value they are creating.

"Without significant change from industry and governments, workers will continue to receive low wages that do not meet the basic needs of food, housing, medical care, clothing and transportation for themselves and their families," he said.

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