Wages in the garment industry are notoriously low. Most workers are not able to meet their basic needs and live in dignity. A lack of publicly available information on the supply chains allows brands to profit, whilst workers who make their clothes are kept living in poverty. Transparency is therefore essential to improving the conditions of workers in the industry. But most brands provide very little information.

A living wage is a human right

A living wage, recognized by the UN as a human right, is a wage that is sufficient to afford a decent standard of living for a worker and their family. It should be earned in a work-week of no more than 48 hours, and must include enough to pay for food, water, housing, education, health care, transportation, clothing and some discretionary earnings, including savings for unexpected events.

Calculating a living wage is not easy, although certainly not impossible. Scholars, unions and labour rights groups have developed credible benchmarks for countries or regions. Asia Floor Wage Alliance, Global Living Wage Coalition and Wage Indicator Foundation are examples of robust and transparent living wage benchmarks.
Living wages, not minimum wages

When governments set minimum wages, they balance the interests of workers with what they see as the need to remain competitive in the global market and pressure from companies to keep wages low. As a result, minimum wage rates often bear no relation to the cost of living and fall far short of what we would consider a living wage. In many garment-producing countries, the minimum wage actually leaves a family below the national poverty line, even though this is also set by the government.

The gap between the legal minimum wage and a living wage is increasing. Research from 2019 shows that in Asian countries the minimum wage ranges from 21% (Bangladesh) to about 46% (China) of a living wage. In European production countries, the gap can be even larger, from 10% (Georgia) to 40% in Hungary. Minimum wages often remain unchanged for years while the cost of living rises, which means that the real value of the workers’ pay falls.

Women are often in lower paid jobs than men and may be expected to share a higher proportion of their wages than men in their family, including paying for childcare. Migrant workers are more vulnerable to exploitation and are more likely to be paid lower rates for their labour. Some workers, such as migrant women, face compounding discrimination which means they are paid less due to both their gender and their migration status.

Outside of the factories, millions of piece-rate workers and home-based workers in the global garment industry are paid by the number of garments they produce, not the number of hours they work. The rate per piece often makes it even less likely that home-based or piece-rate workers might earn a living wage in a normal working week. When the issue is raised, managers simply argue that they should work faster. Home-based workers tend to be employed informally and further removed from the brands, they are more vulnerable to seasonal variations in work meaning fluctuating wages.
Brands must step up and pay a living wage

The UN Guiding Principles on Business and Human Rights establishes a shared responsibility between governments and businesses to respect human rights, including paying a living wage, to workers in supply chains.

The principles specify that in cases where governments fail to protect human rights – such as when the legal minimum wage fails to meet the minimum subsistence level (a living wage) – businesses still have an obligation to respect the human right to a living wage by remedying this state failure.

What can we do?

We should all take more interest in the stories behind our clothes, where they have come from, the workers who made them and human rights issues within the supply chain.

One way we can find out more information about brands and their supply chain is to use the Fashion Checker tool. This tool enables us to find out which apparel and footwear brands pay their workers a living wage and also shows us how to take action to pressure brands to do better.

Brands may be able to outsource their production, but they cannot outsource or delegate their responsibility to uphold human rights in their supply chains.

We are calling on brands to:

- Commit to paying a living wage contribution on every order they place.
- Commit to using transparent and robust living wage benchmarks.
- Commit to reducing the gender pay gap in their supply chain.
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Labour Behind the Label campaigns for garment workers’ rights worldwide. We support garment workers’ efforts to improve their working conditions and change the fashion industry for the better. We raise awareness, provide information and promote international solidarity between workers and consumers.

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