ACTION UPDATE

Volume #34

LABOUR BEHIND THE LABEL

Supporting garment workers worldwide

ACTION UPDATE

Summer 2022

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Labour Behind the Label Limited supports garment workers' efforts worldwide to improve their working conditions. It is a not-for-profit cooperative company, registered in England No. 4173634. The Labour Behind the Label Trust is a separate organisation that raises funds for the organisation's charitable activities, registered charity number 1159356.

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Welcome

It's a summer of protest! In this issue, you can read about our campaign for justice alongside Leicester suppliers and garment workers following the collapse of fashion brand Missguided. We are also celebrating a campaign win after Thai workers from the Brilliant Alliance factory won $8.3 million in a landmark severance settlement. There are updates on our IKEA and Matalan actions, urgent cases and much more.

In solidarity,

Angie, Anna, Dominique,
Kaenat, Kathryn and Meg
The Labour Behind the Label Team

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Pressure on Amazon in November and December last year resulted in LBL staff getting a meeting with Amazon executives to discuss the Hulu Garment workers' case, and negotiate over engagement. This discussion is ongoing – watch this space.

Labour Behind the Label at a glance

Labour Behind the Label campaign for garment workers' rights worldwide, standing in solidarity with garment workers in their struggle to live in dignity and work in safety. We believe that everyone with a stake in the garment industry has a responsibility to act. Workers must join together and demand better rights. Consumers need to use their power to enter into dialogue with companies. Governments need to defend workers' rights through legislation and increased wages. And of course companies, especially the big brands at the top of the supply chain, need to act to deliver rights and living wages at their supplier factories.

Open Secret: Leicester Film Launch

In May, LBL worked with our friends at the Fashion Advice workers Bureau – Leicester (FAB-L) to host the British premier of a Belgian documentary into the Leicester garment Industry.

The 45-minute documentary was produced by the Belgian Clean Clothes Campaign group AchAct and the film collective ZinTV. It looks at the historical struggles of the workers in Leicester's fashion industry, followed by recent efforts of community groups, trade unions and brands in attempting to create concrete and sustainable changes for the workers involved. It includes interviews with several key union activists, community groups as well as footage from factories and recorded testimony of workers.

The event was held at Highfields Community Centre in Leicester and we welcomed over 100 people from labour rights groups, community groups, garment factory owners and brands. The importance of having unions, community groups, manufacturers and brands all in the same place cannot be underestimated. After the documentary screening, we had critical discussions about how to make the industry better, including workplace remediation and factory access for unions.

A showing of the film for workers in community languages is planned in the coming months. A screening for supporters will also be advertised on our mailing list shortly.

Worker Story

A Leicester factory worker shared his story with us this month.

Excerpt: "At first I had no idea about minimum wage so when I was offered £4ph I was very happy and I calculated that monthly I would receive a lot of money compare to India. Soon reality hit me as I started to realise most of my money was going in paying tax, rent, bills and only very little was left... Everyday I use to get calls and messages from my family asking when I will send money?"

You can read the full story on our website – **labourbehindthelabel.org/leicester-worker-story**

Signed agreement between brands and unions to improve Leicester factories underway

Since October 2021, brands and trade unions have been working together to negotiate a 'Joint Responsibility Initiative Agreement' to improve conditions in Leicester factories. The agreement negotiations, pushed onto the table by Labour Behind the Label staff, has so far included New Look, River Island, I Saw It First, In The Style, Quiz, Boohoo, ASOS, TUC, Unite and GMB.

If signed, it will give the unions access to the factories of brand signatories and help workers who are in need have access to a mechanism to report concerns. Issues such as pay and conditions, safety at work, legal advice, holidays, maternity pay and more are on the table. We have been commenting on drafts of the document in the hope that it can be crafted to provide maximum benefit for the workers. We are also pushing brands to sign this agreement as soon as possible so the workers can start benefiting from the unions, and building fairer workplaces.

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Meet Kaenat

Kaenat Issufo is our new team member in Leicester. Her role supports local workers, and helps in liaising with the local community. She has already been leading our campaign work alongside Missguided suppliers, and pushing fashion brand Boohoo over pricing at their AGM. She will be carrying out survey and research work in coming months alongside unions and local groups.

WIN: Victoria's Secret workers get $8.3 million in landmark severance settlement

It's not every day that we can celebrate such a huge win, but on the 25th May it was announced that more than 1,250 workers who sewed bras for Victoria's Secret received $8.3 million (281 million baht) in compensation. This is the biggest wage settlement ever seen at an individual garment factory. After pressure from workers and labour rights groups, Victoria's Secret financed the payments, via a loan arrangement with the workers' former employer.

This win comes after over a year-long campaign for justice. Workers protested outside the factory holding up lingerie that they had sewed for Victoria's Secret. International actions helped to put pressure on Victoria's Secret. Labour Behind the Label activists showed solidarity by replicating workers' protests in London stores. Over 50,000 people signed a petition calling on Victoria's Secret to ensure that workers were paid. This is a win for the workers, and a win for global solidarity.

The workers of Brilliant Alliance factory in Thailand lost their jobs in March 2021 after the factory closed. Workers were told there was no money to pay the severance that they were owed, and that they would need to wait 10 years to be paid in full.

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This win is a step in the right direction, but there is more to be done. There are hundreds of similar cases around the world. This case sets a precedent for brands taking responsibility. However, we can't go on fighting for workers with a case-by-case approach. In order to protect workers, brands must commit to legally binding agreement on wages and severance. The work to call on brands to **#PayYourWorkers** continues.

Matalan: Stop stealing from families

Matalan is a self-professed family brand, yet it is showing little concern for the children and families of garment workers who have been fired and then robbed after producing Matalan's clothes. Over 1,200 workers in Cambodia lost their jobs when the Violet Apparel factory, owned by parent company Ramatex, closed suddenly. Workers demanded compensation, as well as their legally owed wages and severance. The compensation is critical to Cambodian garment workers, who in 2020, were only paid a basic wage of $192 per month. To put this into perspective, the Asia Floor Wage Alliance estimates the living wage in Cambodia to be $588 per month.

Despite having a human rights duty to fix violations of labour law at their factories, Matalan is failing to ensure that workers are paid what they are owed. In March, we launched a campaign calling on Matalan to stop stealing from workers and the families that depend on their income. Thousands of supporters signed our petition and took part in photo actions over Mother's Day calling on Matalan to pay. Activists also went to Matalan stores to put secret messages in pockets calling on consumers to raise the case. We sent flowers to Matalan staff and more. Engagement with Matalan staff however has been, to date, ineffective. The campaign continues.

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Have you signed the Matalan petition yet?

You can add pressure in this campaign by signing our petition to Matalan staff. Go to **labourbehindthelabel.org/matalan** to take part.

Missguided must ensure workers are paid first

Fast fashion brand collapse leaves suppliers owed millions and workers unpaid

In May, news broke of the collapse of fashion brand Missguided and the shockwaves that it sent through garment factories from Leicester to China. Some suppliers stopped receiving payments from Missguided in December whilst other payments stopped in May. We heard reports that individual suppliers were owed up to £2 million each for stock that Missguided had already received. Many factory owners shared that they were on the brink of bankruptcy, and had had to send their workers home.

Frasers Group, led by Mike Ashley, has bought the brand in a £20 million deal. Ashley's other brands including Sports Direct have regularly hit the headlines for worker rights violations so this is not good news for workers. This has all happened before. As when Philip Green's Arcadia group collapsed (Topshop, Dorothy Perkins etc), wealthy brand owners escaped relatively unscathed, leaving behind a wake of devastation for employees, suppliers and supply chain workers. There will not be enough money left to pay creditors in full. Unsecured creditors (including factory owners) will only be paid after secured creditors and the costs of liquidation are covered. Garment workers will carry the greatest burden for the company's collapse in the thousands in unpaid wages and job losses. Brands have shaped an industry where the financial risk and costs are pushed down the supply chain onto the supplier. It doesn't have to be this way.

In June, Labour Behind the Label, in collaboration with Fashion Workers' Advice Bureau Leicester (FAB-L), held a demonstration outside the offices of Teneo, Missguided's administrators, and Alteri Investment who owed the biggest financial stake at the time. Workers, factory owners, and fashion activists stood shoulder to shoulder calling on Missguided to pay workers and suppliers first. ●

Tell Missguided investors to pay workers first

You can sign the petition by going to **labourbehindthelabel.org/missguided**

Activists in Bristol visited IKEA, leaving flatpack instructions in multiple displays showing how to sign (take a pen, get your copy of the accord, do the right thing etc.)...

Safety: IKEA must sign

IKEA likes to market itself as ethical, yet they're refusing to sign The Accord that provides basic life-saving protections to the people making their textiles, curtains and cushion covers.

Originally created as a response to the Rana Plaza disaster, the Bangladesh Fire and Safety Accord instituted legal mechanisms to ensure workplace safety, and built a transparent and independent way to assess factory safety and fix it. It's now gone international and is taking its learnings to a new country.

IKEA say that their own factory inspections are making sure that workers are safe. But we know that audits have repeatedly failed to pick up things like structural integrity of buildings (as loads of Bangladeshi factories are built on swampland). The Accord is fantastic because it employs independent engineers to work with factories on the changes that are needed in an in-depth way, and supports workers' organising together to report back on safety, giving a key role for unions in the decision making structure.

To make change happen in the industry, everyone needs to work together. Without all the significant brands participating to help factories make (sometimes expensive) safety changes, business will carry on as usual. Workers say IKEA is needed in the mix.

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We've been lobbying IKEA to sign, and supporting actions to push IKEA. Worker safety isn't optional. **You can take a social media action by following the instructions at labourbehindthelabel.org/ikea**

AGM pressure to resolve factory cases

Most of our work on urgent cases factory by factory takes place behind the scenes, alongside partners in Sri Lanka, Turkey, India and more. Many cases involve freedom of association - workers who have tried to organize but are either harassed, sacked or in some cases imprisoned. Cases of unpaid wages, refused bonuses and unpaid severance have increased in the last two years through the Covid pandemic. Millions of workers all around the world are organizing to get their wages back, and we support their work by directly raising the cases with brands. We took two of our cases to company AGMs this year to build pressure to get a response.

TURKEY: NEXT owe thousands to Neo Trend workers

Last year on 1 July 2021, the NEXT supplier Neo Trend closed down and the factory owner fled the country leaving 104 workers with nothing. The owner emptied the factory during lockdown, so when workers returned to work they found the factory closed and were left empty-handed without their due severance, notice and other allowances. In May, Next PLC held its Annual General Meeting and Labour Behind the Label was there to ask a question about the Neo Trend workers and request that NEXT step in and pay the bill. More to come.

UK: Boohoo owe an estimated £125 million in unpaid wages for former illegal pay production

Our engagement with workers in Leicester has confirmed illegal pay rates have been common in Boohoo suppliers, and Boohoo's own investigation by Allison Levitt QC found £4/hr rates commonly paid to workers making Boohoo clothing. Boohoo should owe an estimated £125 million in illegal underpayment of wages to workers who made their goods over the past 5-year period. This is based on calculations from the British Retail Consortium that show at the peak of the illegal pay exposes workers were collectively being denied £2.1m a week. Labour Behind the Label went to the Boohoo AGM this June to ask them to pay workers back. A cursory answer was given but Boohoo agreed to meet to discuss further.

Can you host an event?

There are so many ways you can support Labour Behind the Label and help to fix fashion. Here are two ideas for events you could hold this summer.

Host your own fundraising clothes swap

Clothes swaps are fun and simple. It involves getting people together to exchange their unwanted clothes. The Rules are simple.

- Invite swappers
- Swappers bring their unwanted clothes
- The swapping begins!

All attendees donate either a fixed amount for the event or a donation per item. You can make the event as simple or as extravagant as you would like, you could offer refreshments and hire out a hall or have it in your own living room. It's up to you, anything goes! The link here is that by participating in events like this we are reducing high street demand for fast fashion. This will then take the pressure off garment workers while forcing brands to rethink how they market fashion.

DigniTEA party – host a fundraising tea party

We know that our supporters are passionate about workers' rights and we rely on that passion to spread the word about the issues we campaign on. What better way to spread the word than to invite people to your home, canteen, local cafe or school and feed them cakes and tea while you tell them about the workers' rights within the garment industry.

All you need to do is provide cakes and tea, and we will provide you with flyers and action cards that will explain exactly what we do, including petition cards for your guests to sign and return to us. Whether you want to do a presentation and a talk, have a tea party during your break at work or just chit chat over your pastries at home, get in touch and we will support you.

Fight for workers' rights every month

We know that fashion can be fairer, and that the way to make it happen is to redress the balance of power in supply chains so that companies are made to listen and change their ways.

Together, we can stop destructive fashion brands exploiting people around the world and push governments to play their part in protecting rights too – but we must act collectively.

Would you support us with a regular gift and fight for workers rights every month?

Your regular gift could help:

- **Fight for wages and money owed to workers from the pandemic**
- **Support our organising efforts with workers in Leicester to push back on £4/hr exploitation**
- **Assist our activists and campaigners intensify pressure on IKEA to make their factories safe**

And so much more. If you already support us with a regular gift then a huge thank you – we hope this update shows just what a difference your donations are making. And if you would like to start supporting us with a regular gift then please do so by visiting our website at **labourbehindthelabel.org/become-a-regular-giver**

We don't accept any money from fashion companies or people who are part of the industry, so we can be independent and challenge anyone who is complicit in perpetuating sweatshops. So every donation we receive plays a vital role in protecting the rights of garment workers.