

A fair wage for global garment industry workers?

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Research by Surrey's Centre for Environment and Sustainability (CES) has found that Western European garment industry workers in BRIC (Brazil, Russia, India and China) countries earn only half of the living wage.

The study, which has been published in *The International Journal of Life Cycle Assessment*, shows that while globalisation has made the Western European clothing supply chain fairer by increasing employment opportunities and income for workers in BRIC countries, their income is still insufficient to support a decent standard of living.

The research was conducted using a Social Life Cycle Assessment (SLCA) approach, in which impacts across the whole lifecycle of the product are considered. So, rather than focusing solely on factory workers, the researchers looked at everyone involved in the garment industry supply chain - including, for example, workers growing cotton and miners providing metal to make machinery.

The researchers estimated how much workers would need to be paid in order to be able to afford a decent, but not luxurious life - a living wage. The research found that garment factory workers are only paid around half the living wage, and agricultural workers are paid even less.

The study was also innovative in taking into account financial demands on workers - income tax and social security contributions - in addition to wages, thus giving a more comprehensive picture than previous studies



where the living wage does not account for these costs. It found that in real terms, workers would need to be paid, on average, an additional 35 per cent to offset these factors.

The research was led by Research Fellow Dr Simon Mair, with Angela Druckman, Professor of Sustainable Consumption and Production and Tim Jackson, Professor of Sustainable Development and Director of the Centre for the Understanding of Sustainable Prosperity (CUSP) within Surrey's Centre for Environment and Sustainability (CES).

Dr Mair said: "Despite some improvements to workers' income and employment opportunities through globalisation over the last 20 years, this research has demonstrated that workers are still not paid a living wage, so the supply chain cannot be described as 'fair'.

"The next step is to look at the potential impact on companies and consumers if BRIC workers were paid a living wage. For example a company may choose to absorb the additional cost, or might pass the cost onto consumers.

Faced with a higher priced product, consumers might choose to buy less, which could in turn have a positive impact on the environment (by reducing carbon emissions) but possibly a negative social impact (by reducing employment)."

Professor Druckman said: "This research has implications for all those who are concerned about social justice along clothing supply chains."

The research is a strand of CES's ongoing work on the sustainable economy, led by Professor Tim Jackson, whose book Prosperity Without Growth (first published in 2009) outlined a ground-breaking vision for lasting prosperity on a finite planet.



The research paper, 'Investigating fairness in global supply chains: applying an extension of the living wage to the Western European clothing supply chain', was published in *The International Journal of Life Cycle Assessment* on 30 August. The research is also featured in a new book, The Social Effects of Global Trade, published by Pan Stanford Publishing Pte Ltd, due out later this year.

More information: Simon Mair et al, Investigating fairness in global supply chains: applying an extension of the living wage to the Western European clothing supply chain, *The International Journal of Life Cycle Assessment* (2017). DOI: 10.1007/s11367-017-1390-z

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