

Ethiopian clothes makers worst paid in the world: study

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Ethiopia's clothes factory workers, producing items for top fashion brands including Guess, H&M and Calvin Klein, are the worst paid in



the world, earning only \$26 (23 euros) a month, a report said Tuesday.

As Ethiopia seeks to become the continent's leading manufacturing hub, it has sold investors on workers' willingness to toil for less than half the salary of tailors in Bangladesh, said the report by New York University's Stern Center for Business and Human Rights.

The report, entitled "Made in Ethiopia: Challenges in the Garment Industry's New Frontier," said that in comparison, notoriously poorlypaid workers in Bangladesh earned \$95.

Their Kenyan counterparts earn \$207 a month, and those in China \$326.

"Rather than the compliant, cheap workforce promoted in Ethiopia, the foreign-based suppliers have encountered employees who are unhappy with their compensation and living conditions and increasingly willing to protest by stopping work or even quitting," said Paul Barrett, the centre's deputy director.

"In their eagerness to create a 'Made in Ethiopia' brand, the government, global brands, and foreign manufacturers failed to anticipate that the base wage was simply too little for workers to live on."

Ethiopia has no official minimum wage for the private sector.

The report found that workers, many of them young women, received very little training and faced cultural conflicts with managers from south or east Asia.

The study took place in the Hawassa Industrial Park, the flagship of Ethiopia's manufacturing drive and one of five hubs inaugurated by the government since 2014.



'Seemingly unrealistic

Some 25,000 people work there, making clothes for the most soughtafter brands around the globe, a number expected to grow to about 60,000.

Suppliers from China, India and Sri Lanka have opened factories in the park.

Ethiopia is Africa's second-most populous country, with some 105 million people who still largely survive off agriculture, and face punishing droughts and poverty.

The government hopes clothing exports will go from \$145 million today to about \$30 billion per year, a figure the report states is "seemingly unrealistic" not least because low salaries have led to poor productivity, regular strikes and high attrition rates.

The <u>report</u> showed that factories replaced all of their workers every 12 months on average.

The Stern Centre urged the Ethiopian government to establish a minimum wage and craft a long-term economic plan to strengthen the apparel industry.

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