COMPANY POSITION ON THE LIVING WAGE:

“Promod’s first aim is to ensure that all its suppliers strictly respect local laws in terms of minimum wages and Health & safety regulations in their factories ... Payment of a living wage could be the next step. We are discussing with the French branch of CCC to study how to include this program in future and, much important, how to gather a sufficient number of brands around this project to have a real influence.”

WHAT WE SAY:

We are pleased that Promod is willing to work on the question of a living wage and recognises it as the next step in its CSR supply-chain policy. Linking this to increased productivity can be an incentive for buyers, but this cannot be the only answer offered to workers, who have to be paid a decent wage regardless of the need for companies to meet market prices.

IN MORE DETAIL:

Has living-wage benchmarks?

No.
Worker empowerment:
Promod says that freedom of association and collective bargaining are included in the document signed every year by its suppliers around the world, and that this commitment is checked through audits. No other incentives or training for either workers or suppliers were cited on this issue.

Commitment and practices:
No living-wage benchmarks have been set.
Promod seems to be making an effort to develop long-term relationships and stable orders with its suppliers, to prevent subcontracting. Purchasing practices seem to be taken into account too, to avoid excessive pressure on suppliers.

Collaborative approach:
Promod has engaged in a programme with a French initiative, Yamana, in Morocco, on work around wages, social benefits and the improvement of productivity, in collaboration with factory owners.

Promod has engaged in a dialogue with the French CCC about wages. It is also showing a clear interest in working with civil society on the issue of living wage, and with other buyers and retailers too.

Strategy:
Promod does not have a strategy for ensuring workers in its factories are paid a living wage. Its strategy relies mostly on audits in relation to freedom of association.

Production overview:
Number of suppliers: 250
Main production countries listed as: China, India, Turkey, Morocco, Tunisia
Promod has made an effort to move towards greater transparency by disclosing to the writers of this report precise information on its production units and sourcing countries. However, this is not publicly disclosed.
Promod does not publish a full public list of the names and addresses of its supplier factories.

COMMENTS:
Promod is clearly showing an interest in starting work on the issue of the living wage, which is important and commendable. It points to the necessity of working with other big buyers to be able to bring about changes at factory level.

Promod accepts the principle that a wage should be enough to meet the basic needs of a worker and their family. It has shown a willingness to engage in dialogue with civil-society groups and a commitment to transparency, in relation to its suppliers and production countries.

Now, good intentions must be turned into action by developing a real policy to ensure that a living wage is paid to workers throughout its supply chain. This must start with work to establish living-wage benchmark figures and a strong policy for improving purchasing practices, to allow the implementation of this fundamental right.

Promod has not developed any work on promoting freedom of association and the right to collective bargaining or ensuring worker empowerment throughout its supply chain. This needs to be addressed and must certainly play a part in any strategy to work towards the payment of a living wage.