<u>Subject: Letter to the candidates for membership in the European</u> <u>Parliament:</u> <u>Respect for Human Rights, including a Living Wage, for All Fashion Industry</u> <u>Workers in Europe and worldwide</u> Clean Clothes Campaign

The **Clean Clothes Campaign** is an international network dedicated to improving working conditions in the global garment and sportswear industries. We educate and mobilize consumers, facilitate workers' organizing, lobby companies and governments, and offer direct solidarity in support of workers in acute cases of human rights violations.

Poverty wages are a prevailing human rights violation in the garment industry across the world – even in Europe - even though a **living wage** for the worker and her family is established as a human right in the Universal Declaration of Human Rights.

Your political commitment is vital in this matter! You can do a lot to make human rights and a living wage reality for all garment workers across the world. You can:

- Push for a EU regulation on mandatory Human Rights Due Diligence including the Human Right to a Living Wage.
- 2. Push for an **EU minimum wage policy** which ensures that all minimum wage setting in member states enables the implementation of the human rights to a living wage as well as the European Pillar of Social Rights, Chapter II, 6 "wages". The European Parliament should in a **first step** introduce a benchmark for the statutory minimum wage: Its own poverty threshold EU-SILC.

Please find attached to this letter an annex with our more detailed proposals, as well as a table with the wage levels in a few production countries, including EU member states.

Annex

1. Push for a EU regulation on mandatory Human Rights Due Diligence

The responsibility of companies to respect human and labour rights in their supply chains is clearly expressed by the **United Nations Guiding Principles for Business and Human Rights** and the updated **OECD Guidelines for Multinational Enterprises**. Under these frameworks, companies are required to carry **out human rights due diligence (HRDD)**, meaning they must assess their supply chain, identify, stop, prevent or mitigate any human rights risks or violations, and remediate any adverse impact it has caused or contributed to, as well as monitor and report on progress.

Furthermore, the UN Guiding Principles for Business and Human Rights describe the **duty of states to protect human rights**. States should protect against human rights abuse within their territory by third parties, including business enterprises and should set out clearly the expectation that all business enterprises domiciled in their territory must respect human rights throughout their operations.

In the last years, several European countries, as well as the EU, have taken **policy initiatives** requiring companies to carry out a process of human rights due diligence. Examples are the French "duty of vigilance law" (2017). In Finland, a law on mandatory HRDD is subject of a public debate, just like in Germany and Luxembourg. In the Netherlands, a law proposal related to duty of care in respect of child labour is currently under debate in the Senate.

A EU regulation on mandatory HRDD will create uniform expectations and standards towards companies with headquarters in Europe in terms of HRDD and can give access to remedy for victims of human rights violations.

2. Push for an EU minimum wage policy

Most workers producing fashion worldwide, just earn the statutory minimum wage. In EU-member states, the statutory minimum wage is below the EU-SILC risk at poverty threshold. Any statutory minimum wage in a fashion production country is far from "*provid[ing] for a decent standard of living*" (European Pillar of Social Rights, Chapter II, 6 "wages").

In some production countries, even within the EU, the majority of fashion industry workers do **not even earn this statutory minimum** wages in regular working hours, like in Romania. As a result of poverty wages in Romania, **40% of interviewed workers have family members migrating to Western Europe to support the family's survival** (see annex).

A living wage is a human right and is a broadly accepted norm in corporate codes of conduct of fashion brands and retailers as well as multistakeholder settings such as the Fair Wear Foundation (NL), the Dutch Agreement on Sustainable Garments and Textile, and the German Partnership for Sustainable Textiles. Our 25 years of experience remind us that promises to pay a living wage are often broken.

A **EU minimum wage policy is needed** to ensure that all minimum wage setting in member states enables the implementation of the human rights to a living wage as well as the European Pillar of Social Rights, Chapter II, 6 "wages". The EU should in a **first step** introduce a benchmark for the statutory minimum wage: Its own poverty threshold EU-SILC<u>.</u>

Overview of wage levels in 5 production countries

	Statutory minimum wages (net, 2018)	Poverty line for a family, EU-SILC (2017) ¹	Living wages (2018)	Share of statutory minimum wages in living wages
Romania ²	€249	€283	€1,448	17%
Bulgaria	€204	€375	€1,112 ³	18%
Ukraine	€93		€488 ⁴	19%
Cambodia	€146		€410 ⁵	36%
India	€94		€297 ⁶	32%

¹ At-risk-of-poverty threshold for two adults and their two 0-14 y. children - EU-SILC survey; European Union Statistics On Income And Living Conditions (EU-SILC),

http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=ilc_li01&lang=en - last accessed 14/3/2019 ² See Romania country profile at: https://cleanclothes.org/livingwage/europe

³ Estimated living wage per month, family of four, as net take-home wage, according to interviewed workers (Workers were asked what they would need to cover food, hygiene products and medications, utilities, communication, transport, and clothing for a household of four. Sometimes workers were unable to estimate – for instance holiday costs – since they never go on holidays. In these cases basic data from numbeo.com were used.)

⁴ Estimated living wage per month, family of four, as net take-home wage, according to interviewed workers (Workers were asked what they would need to cover food, hygiene products and medications, utilities, communication, transport, and clothing for a household of four. Sometimes workers were unable to estimate – for instance holiday costs – since they never go on holidays. In these cases basic data from numbeo.com were used.)

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