

# Workers need a wage to live on

# A LIVING WAGE!

To get involved contact your national Clean Clothes Campaign organization



Clean  
Clothes  
Campaign

Clean Clothes Campaign is a global network dedicated to improving working conditions and empowering workers in the global garment and sportswear industries. Since 1989, CCC has worked to ensure that the fundamental rights of workers are respected. We educate and mobilise consumers, lobby companies and governments, and offer direct solidarity support to workers as they fight for their rights and demand better working conditions. Clean Clothes Campaign brings together trade unions and NGOs covering a broad spectrum of perspectives and interests, such as women's rights, consumer advocacy and poverty reduction. As a grass-roots network of hundreds of organisations and unions, both in garment-producing and in consumer markets, we can identify local problems and objectives and transform them into global actions. We develop campaign strategies to support workers in achieving their goals. We also cooperate extensively with similar labour rights campaigns.

Since 2014 we have been working on developing a methodology for a cross-border base living wage benchmark for European garment production countries. After many deliberations we developed the concept of Europe Floor Wage.

**The human right to a living wage  
in public international law**

*The human right to a living wage is a human right established in the UN Universal Declaration of Human Rights. In the European context, the Council of Europe's 1965 European Social Charter (ESC) and its revised version of 1999 codify the right to a living wage in Article 4, No 1: "to recognize the right of workers to a remuneration such as will give them and their families a decent standard of living". The ESC is recognized all over Europe, not only in EU member states.*



# Why focus on a living wage?

Poverty pay is a disgraceful reality if we consider the profits being made by brands and retailers in the garment supply chain. They benefit from having dual control over the international consumer market and low-cost production areas in the Global South and the 'Global East'.

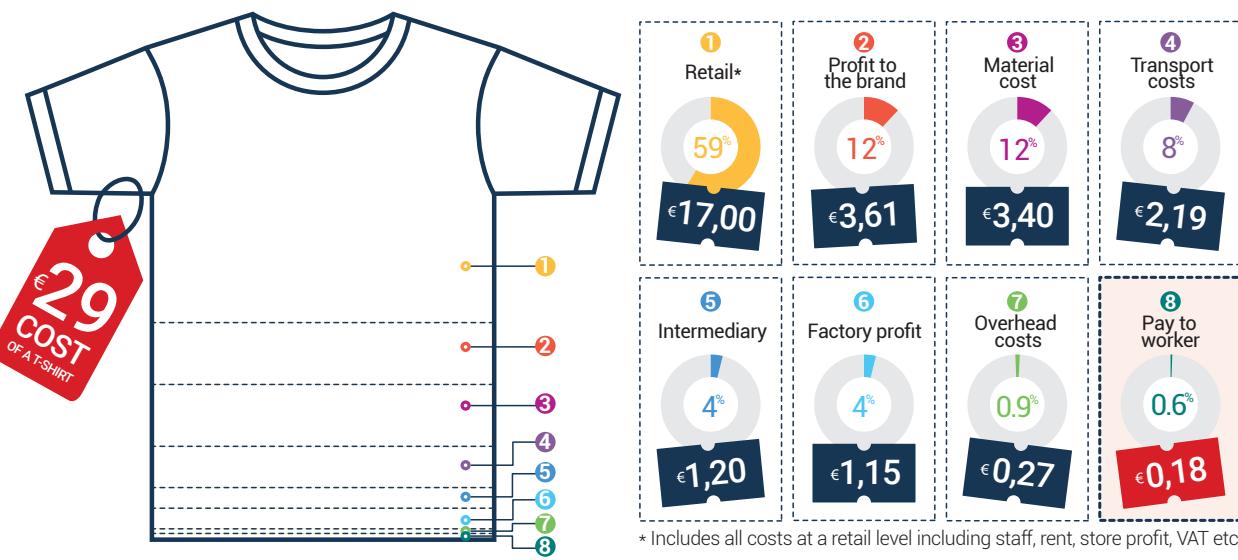
Some retailers and brands recognize in principle the right to a living wage in their voluntary codes; however, in practice they often just monitor suppliers' compliance with the statutory minimum wage in any given local setting. Almost none of them ensures a living wage in practice. The statutory minimum wage is what garment workers usually earn - sometimes even below. Meanwhile, governments in producing regions, like in Central, East and Southeast Europe, keep minimum wages as low as possible, on average at a quarter of living wage levels, comparing the wage rates constantly with competing countries and keeping in mind the risk of brands relocating their orders. The threat of relocation is a major impediment in bargaining over wages and also a huge hurdle towards an organised workforce.

# Made in Europe – made fair?

It seems to be widely presumed that working conditions and wages in European fashion production are better than in Asia. In fact the gap between the minimum and actual wages of workers and an estimated minimum living wage tends to be bigger in Europe than in Asia. In Central, East and Southeast Europe we find a comparatively low level of unionization in general and in particular in the garment industry.



## BREAKDOWN OF COSTS OF A T-SHIRT



## Pay garment workers a LIVING WAGE



While living wage is a purely needs and costs of living based category, the statutory minimum wage is a politically negotiated quantity. Legal minimum wage now does not protect workers from poverty.

What are the main, agreed features of a living wage?

- As a universally applicable human right, it reaches out to all workers irrespective of their status in the workplace, their productivity or personal situation (example marital status). It is the lowest paid wage and no worker earns less than the defined living wage.
- It must always be sufficient to meet the basic needs of workers – including food, clothing, housing, public transport, utilities and communication, education, leisure and culture, normal health and hygiene costs, and holidays (a one-week trip within the country)
- and those of their families, which go beyond mere survival but enable the family's participation in societal life.
- A living wage should provide a discretionary income for emergencies.
- It must be earned during regular working hours, i.e. without overtime.

**Made in Europe is not fair until workers are paid fair**

Clean Clothes Campaign



FASHION CHECKER

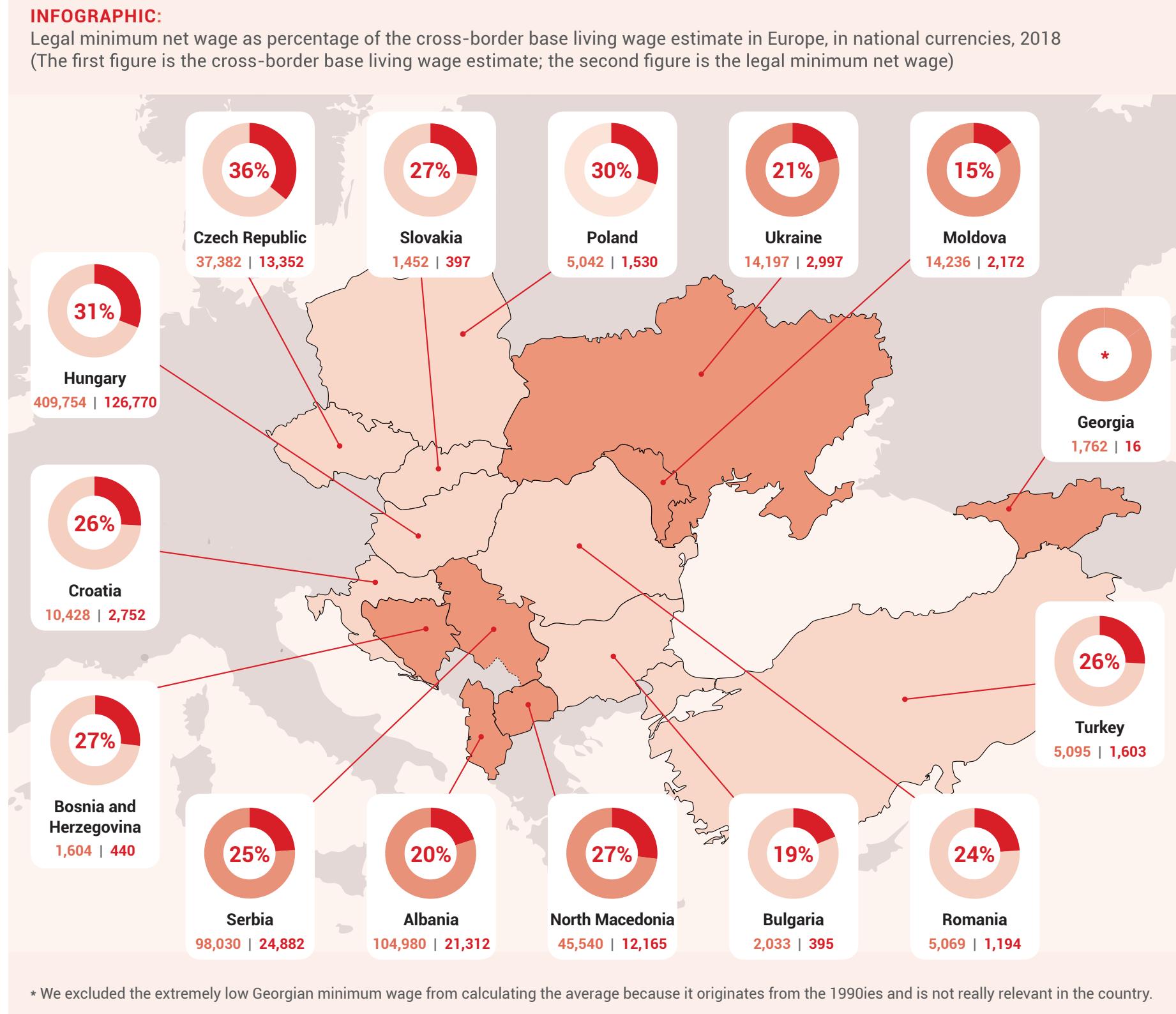
## Why should a living wage benchmark be cross-border?

What is the main difference to existing living wage (LW) estimates? The global fast fashion business model creates the need for a policy that combats relocation competition between countries/regions around wages. Single-headed and nation-based policies on tackling the issue risk falling into the 'competitive advantage' trap and thus failing to defy the downward spiral they sought to challenge in the first place. They need to be complemented with cross-border policies.

Through our concept of a cross-border base living wage, we aim to intensify the urgent struggles for living wages and to support the bargaining power of trade unions. We aim to achieve a decent life and dignity for workers in Central, East and South-East Europe.

### The perfect benchmark?

But this does not mean that the Europe Floor Wage is the only possible estimate. On the contrary: cross-border and national living wage benchmarks complement each other. We are avoiding the trap of searching for the perfect wage estimate as such a thing does not exist. The proposed benchmark that the CCC brings forth is not meant to exclude policy space for deviations. It can be further tailored by trade unions in different countries, based on their needs and contexts.



# The way forward

1

Fashion brands and retailers should set public, concrete, measurable steps for their entire supply chain to ensure garment workers are paid a living wage within a reasonable timeframe. Fashion brands and retailers should negotiate and sign legally-binding, enforceable agreements with worker representatives that require the payment of the true price of the product they order from their suppliers - a price that enables the human right to a living wage to be fulfilled - a living wage to be paid, a wage that workers and their families can live on.

2

Governments both in consumer and producing countries in Europe, as well as the EU, have the duty to protect workers' human right to a living wage and to implement legal minimum wages that fight poverty rather than creating an impoverished and socially excluded workforce.

The living wage benchmark to be considered by fashion brands and retailers as well as governments and the EU is as follows: for Slovakia, Hungary, Poland, Turkey, Croatia, Czechia, Bulgaria and Romania, this is PPP USD 2,640, and for Serbia, Bosnia-Herzegovina, Georgia, North Macedonia, Albania, Ukraine and Moldova, the figure stands at PPP USD 1,980 (2018).