

C&A

Brands: Yessica, Yessica Pure, Your Sixth Sense, Angelo Litrico, Westbury, Canda, Clockhouse, Baby Club, Palomino, Here & There, Rodeo Sport



COMPANY POSITION ON THE LIVING WAGE:

“C&A Code of Conduct says: Wages and benefits must be fully comparable with local norms, must comply with all local laws, and must conform with the general principle of fair and honest dealings ... We generally agree with the basic intention [of a living wage], but there is still some ambiguity in that there is still no generally accepted definition of what a living wage is, nor is it clear how a living wage should be measured.”

WHAT WE SAY:

C&A is doing very little to ensure that a living wage is paid to workers in its supply chains. It does not accept that there is a definition of a living wage (although it is fairly clear to us), and as such has failed to embed this in its company practice – disappointing.

IN MORE DETAIL:

Has living-wage benchmarks?

No.

Worker empowerment:

C&A says: “Our contractual Supply Partners, by signing their acceptance of our CoC are obligated to respect Freedom of Association and the right to Collective Bargaining insofar as the national law of each respective country sets the legal framework for such rights. It is the responsibility of our contractual Supply Partners to respect workers rights to Collective Bargaining. The C&A audit process checks whether Freedom of Association and Collective Bargaining are respected in the production unit.”

Commitment and practices:

The C&A Foundation partnered with GIZ (the Deutsche Gesellschaft für Internationale Zusammenarbeit) on a programme to improve productivity and social conditions in a number of supplier factories. The project aimed to “increase productivity, improve wages, and contribute to better social conditions.” C&A worked with 13 factories and 18,683 workers in Indonesia, Cambodia, India and Bangladesh. The programme “achieved significant increases in wages for the workers as the HR systems and incentive schemes were improved for the workers.” Actual figures were not provided.

Collaborative approach:

C&A is working with Terre des Hommes in India on a three-year partnership to “remove thousands of former Sumangali workers from the [forced labour] scheme, or prevent young women from joining a scheme. The work involves village outreach to educate parents of vulnerable young women of the danger of their agreeing to their daughter’s accepting such a contract.”

C&A is a member of the Ethical Trading Initiative (ETI) and has done some work on setting fair piece rates for homeworkers to ensure salaries are sufficient.

COMMENTS:

C&A says that there is ambiguity about the definition of a living wage, and so it is not clear how a living wage can be delivered. To this we say that the debate has moved on. The Asia Floor Wage Alliance set out a figure to define what a living wage means in terms of purchasing power in 2009, and since then a number of nuanced systems have emerged which allow companies to compare the wages paid by their suppliers to a ladder of benchmarks and thus measure progress. This excuse for not engaging in proactive work to pay a living wage is no longer valid.

C&A has renounced responsibility for ensuring freedom of association, saying this is the job of supplier factories. We disagree. Many factory managers are anti-union and will deliberately repress this human right. It is vital that buyers engage in actively upholding this right if a sustainable wage increase is ever to be achieved.

C&A says: “We are part of a group of 18 brands currently, mainly, but not exclusively built around ETI members, who have met on a number of occasions and who are now trying to agree on a set of ‘enabling principles’ which will outline what we believe to be the responsibilities of all the parties involved, including the brands, with respect to a ‘living wage’.”

Strategy:

C&A says: “C&A is currently developing an enhanced Capacity Building Programme which will be introduced in 2014. This will include internal awareness training with regard to purchasing practices.”

C&A says it is also in the process of developing a strategy for implementing a living wage.

Production overview:

Number of suppliers: C&A said it does not have this level of data available.

Main production countries listed as: Bangladesh (32%), China (31%), India (12%), Turkey (9%), Cambodia (6%)

C&A does not publish a full public list of the names and addresses of its supplier factories.

C&A’s project to improve productivity and conditions in 13 factories seems to have made some progress. C&A says: “We can demonstrate success in the factories in which this has been adopted in terms of higher wages now being paid,” but no figures were given, so we don’t know how effective this was. In general, our experience of productivity improvement projects is that gains are often not all passed on to workers, and they can result in more intense and stressful workplace environments, with unreachable targets – unless unions are involved to feedback worker experiences. They are also not the solution to paying workers a living wage, as the level of gains achieved rarely allow a significant enough wage increase.

We hope that as C&A develops its new strategy for implementing a living wage, it will take into account some very important points raised by this report.