

Brands: Gucci



COMPANY POSITION ON THE LIVING WAGE:

"GUCCI is SA8000 certified since 2007. In this standard the compliance with the Living Wage is one of the requirements that has to be satisfied. Then this requirement is also incorporated in the Social Responsibility Policy of our Brand and in the Principles of Sustainability on which we ask the commitment of our suppliers."

WHAT WE SAY:

Gucci says it produces 100% of its goods in Italy, where it says rights are upheld. However, the company has more than 3,000 subcontracted suppliers and it is unclear to us what its policy is for upholding rights in these workplaces. Previous case work found some Gucci products (uniforms for employees) being made in Turkey. More effort than a simple statement in a policy document is needed.

GUCCI

IN MORE DETAIL:

Has living-wage benchmarks? No.

Worker empowerment:

Gucci says: "The Right to Freedom of Association and Collective Bargaining is clearly communicated through our supply chain ... We training periodically (at least yearly) all of our direct suppliers on our Social Responsibility Policy. This kind of activity has been shared with the main Unions on the basis of an agreement signed in 2004."

Commitment and practices:

Gucci uses the Italian minimum wage as a living-wage benchmark. It says that this is a suitable figure because it was established by national collective agreements.

Collaborative approach:

Gucci signed agreements in 2004, 2009 and 2012 with the Italian trade union confederations CGIL, CISL and UIL.

Gucci has had proactive and productive dialogue with the Italian branch of the Clean Clothes Campaign regarding a number of issues, including sandblasting.

Strategy: None.

Production overview:

Number of suppliers: 400 first-tier suppliers, 3,600 subcontracted suppliers

Main production countries listed as: Italy (100%)

Gucci does not publish a full public list of the names and addresses of its supplier factories, but this list is shared confidentially with unions.

COMMENTS:

Gucci says its production is entirely based in Italy, where rights are upheld. However, we would not consider Italy to be a 'low risk' country in terms of rights. Indeed, in December 2013, a fire in a subcontractor's factory in the town of Prato killed seven Chinese migrant workers, and unions said the health and safety problems that caused the disaster were common in the area. Due to a significant use of the informal sector and migrant labour in Italy, Gucci's production needs to be carefully monitored if the company is to be sure that wages are enough to meet workers' basic needs and ensure their rights.

We have questions about the fact that there is such a high volume of subcontracted work in Gucci's supply chain, and suspect that some of these subcontractors may be outside Italy. No information was given about how this subcontracting is monitored or how workers' rights are upheld in these factories. It is crucial that Gucci engages in its subcontracting policy and takes responsibility for rights in these factories also.