

TAKKO FASHION

Brands: Colours of the World, Flame, Crazy World, Maxi Blue, Chapter, Southern, Crash One, Dognose, Dopodopo



COMPANY POSITION ON THE LIVING WAGE:

“We agree with the payment of living wages to all workers and bind our suppliers by our code of conduct to paying them.

“Wages and benefits paid for a standard working week shall meet at least legal or industry minimum standards and always be sufficient to meet basic needs of workers and their families and to provide some discretionary income...”

WHAT WE SAY:

Takko is planning to start some interesting work to move towards payment of a living wage, but hasn't got there yet. It has been given credit for adopting living-wage benchmarks.

IN MORE DETAIL:

Has living-wage benchmarks?

Yes.

Worker empowerment:

Takko says: “The Code of Labour practices and an information sheet for worker (in local language and in English) is displayed in all the supplier factories and subcontractors. We also started trainings to supplier factories employees about Freedom of Association and Collective Bargaining.”

Takko uses the Fair Wage Foundation (FWF) complaints mechanism, which includes a worker hotline for complaints and access to a suggestion box. Complaints are followed up and resolutions made transparent. It is not clear to us how well used this system is, although Takko says there are a growing number of complaints being submitted.

Commitment and practices:

Takko has adopted a wage ladder to monitor progress towards payment of a living wage. This compares wages paid in Asia to minimum wages, regional wage demands and the Asia Floor Wage. Recently, this wage ladder has started to be used actively in audit discussions to reveal wage gaps to factory management.

Takko works with the FWF to deliver a 'Workplace Education Programme' in more than 10% of its supplier factories, developed in collaboration with local unions and workers-rights organisations. Training covers accessing factory grievance mechanisms, gender-based violence and management-worker dialogue.

Takko has also started systematic work with suppliers to improve practices: "After every audit we install a corrective action plan together with the factory in which every breach of the rules of our code of conduct is listed and corrective measures are mentioned."

COMMENTS:

Takko is working towards payment of a living wage in a committed way, but it has some way to go. We are pleased to see that Takko is planning to join the Fair Wear Foundation Bangladesh Wage pilot, which, as we understand, is working out a payment mechanism to allow brands to 'top up' regular wages to a living-wage level by making a separate, regular payout to workers. We hope that Takko will engage fully in this work and involve local NGOs and negotiations with union stakeholders.

Takko, unlike many other brands, is benchmarking its wage payments against a scale that includes a real living wage: the Asia Floor Wage – although no information was disclosed as to whether anyone is being paid this yet (we suspect not). Without a system or plan in place to bridge the wage gap identified by this ladder, Takko won't get far.

Collaborative approach:

Takko is a FWF member. The company didn't mention any union or NGO partnerships in-country outside of this membership, or collaborations with other brands.

Strategy:

Takko is preparing to take part in a project to work towards payment of a living wage in Bangladesh. This is based on a FWF living-wage pilot in two factories to see "how additional money could be allocated to the workers." Local unions were involved in its design.

Production overview:

Number of suppliers: Roughly 345 first-tier factories, 225 subcontracted factories

Main production countries listed as: China (60%), Bangladesh (30%), India (5%), Other (5%)

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

It is also interesting that Takko is working systematically with factories to create corrective action plans, including assessment against the wage ladder. We hope very much that this approach goes hand in hand with commitment from buyers to address price.

Much of Takko's submission seemed to focus on work being delivered by the Fair Wear Foundation, which is fine, but it is unclear where Takko is performing well; or where the FWF is. Let's hope there are some real results to show sooner or later, with wage improvements in Takko's supplier factories to prove it.