Fast fashion brands respond to BHRRC investigation into factory wages in Karnataka

By Isabelle Crossley - 25 January 2022

Following reports of garment workers in Karnataka receiving below minimum wage in factories supplying international fashion brands, Business & Human Rights Resource Centre contacted 22 retailers for updates.

Of the 22 clothing brands BHRRC contacted, 21 brands responded as of January 25, with only Benetton Group failing to respond thus far, BHRRC reported on its website. However, brands responded with varying commitments to ensuring that their factory workers received financial compensation for their unpaid wages.

In September 2021, the Karnataka high court ruled that the minimum wage, including all arrears, has to be paid to all workers regardless of any other court proceedings in India. Numerous labour organisations asked clothing brands which source garments from Karnataka to intervene to ensure that their workers are paid correctly as there were reports of over four lakh workers in the state receiving wages below the legal minimum. This meant that the workers were unable to support their livelihoods through their full-time work.

Brands which responded to BHRRC’s survey comprise Abercrombie & Fitch, Adidas, American Eagle, ASOS, C&A, Columbia Sportswear, Gap, H&M, Inditex, Levi Strauss & Co., Marks & Spencer, Next, Nike, Primark, Puma, PVH, Target, Tesco, Uniqlo, VF Corporation, and Walmart. Although the majority of the surveyed brands did outline that they have plans to pay workers back wages, far fewer states that workers have already received even partial payment for back wages.

Some brands, including ASOS, Next, and Marks & Spencer, replied that they have given workers partial payment towards previously underpaid wages. All 22 of the brands BHRCC contacted have policies which state that they ensure workers in their supply chain are paid in full.

Brands including Puma, Walmart, Target, and Nike responded without an outline of their plans to pay workers back wages. Although a number of brands replied that they have partially paid workers back pay, no brand stated that it
has paid workers their full back pay thus far.

By Isabelle Crossley