Wages: decent, fair or living? Understanding what better wages in global supply chains mean & how companies can implement them.

A workshop for practitioners & researchers
University of Zurich, 18.3.2015

Wages: decent, fair or living?
Wages paid in global supply chains are often too low and do not allow workers to have a decent life. Consumers, civil society organisations and governments – most recently the German Minister for Economic Cooperation and Development and the Dutch Foreign Ministry – are calling fashion companies and retailers to pay decent wages in their supply chains. However, the challenges faced by brands and retailers to implement better wages in their supply chains are complex. Some of these challenges are:

- A lack of common understanding of what decent / fair / living wages mean
- Higher prices in the supply chain may escalate retail prices
- Implementation is difficult because most companies have limited negotiation power with their suppliers when it comes to wages on the factory floor.

BSD Consulting, Get Changed The Fair Fashion Network and the Centre for Ethics at the University of Zürich would like to invite you to a one-day workshop to the topic of “Wages: decent, fair or living? Understanding what better wages in global supply chains are and how companies can implement them”. The workshop is mainly supported by the Centre for Ethics.

Aim of the workshop
The aim of this workshop is to provide fashion brands and retailers with concrete ideas of how they can promote better wages in their supply chains. It also aims at continuing the discussion started at the European Conference on Living Wages which took place in November 2013 in Berlin and exploring this topic in more details with Swiss companies. Practically, participants of the workshop will gain a better understanding of the main concepts of ‘better’ wages and understand how leading companies successfully implement higher wages.

Target group
The workshop is mainly geared towards companies, but also to researchers and other interested groups.

Logistics
Date: Wednesday March 18th, 2015 from 09.00 to 17.00
Location: University of Zürich, Rämistrasse 71, 8006 Zürich (NOTE the change of location!)
Room: KOL G212, see map below
Costs: 120 CHF per participant
Registration: www.eventbrite.de/e/living-wages-workshop-tickets-15844376958
Programme

Start of the workshop (9.00)
Welcome note by host: Markus Huppenbauer, Professor of Ethics, University of Zurich
Introduction to the workshop: Mark Starmanns, Senior Consultant, BSD Consulting

A. Introduction to the topic: from theory to practice (9.15 - 10.00)
Introduction to Living Wages with an overview of current trends: Doug Miller, Professor of workers’ rights in Fashion, University of Northumbria

B. Decent wages, fair wages and living wages: what is the difference? (10.00 - 12.30)
Living Wages: Edwin Koster, European Representative, Social Accountability International
Living Wages within Global Wage developments: Daniel Vaughan-Whitehead, Senior Economist, International Labour Office
Living Wages: Ruth Vermeulen, Senior International Verification Coordinator, Fair Wear Foundation
Each speaker will give a 15-minute introduction to its organisation's concept and work.
After a coffee break, the discussion will be moved to smaller groups in which each speaker can dive deeper into the concept and answer questions from participants.

Lunch break (12.30 – 13:30)
Measuring Living Wage Benchmarks: Martha and Richard Anker, Living Wage Experts, University of Massachusetts (by Skype from the USA, 13.30 – 13.45)

C. How to implement better wages in global supply chains? Concrete practices from the ground (13.45 – 15.30)
Feedback on a Living Wages pilot in Chinese factory: Gilles Dana, CSR Manager, Switcher SA
The bioRe® view on living wages in a sustainable supply chain: Marion Röttges, Quality Manager, Remei AG
Living Wages pilot in a Bangladeshi factory: Bruno Van Steenberghe, Sourcing & Sustainability Manager, Stanley and Stella
The Fair Profit Ratio: towards an economy of living wages: Ben Ramsden, Founder, Pants for Poverty
Panel discussion moderated by Doug Miller, Professor of workers’ right in Fashion, University of Northumbria

Coffee break (15.30 – 16.00)

D. World café (16.00 – 17.00)
Striking issues of the day will be discussed in smaller groups. The objective is to informally discuss in smaller groups open questions which have come up after the day’s presentations. It will also be a way to connect and to reflect on how to put the learnings of the day into practice.

17.00 End of Workshop
Speakers' Bio

Doug Miller, Professor of workers’ rights in Fashion, University of Northumbria

Professor Doug Miller has 30 years experience in teaching, researching and communicating on the issues surrounding equality, corporate social responsibility and industrial relations. In 2000, he was seconded from Northumbria University in the UK to the Brussels based Global Union: International Textile Garment and Leather Workers Federation – a global union which at that time represented over 230 trade unions in 110 countries worldwide. Over the next 8 years he worked as Research Director, co-ordinating research projects into supply chain developments in the textile, clothing and footwear sectors. This culminated in the development of the first international framework agreement in the sector between the Global Union and Inditex S.A. – the Spanish multinational and world’s largest retailer. It also led in 2008 to their joint sponsorship of a post in Ethical Fashion (later Worker Rights in Fashion) within the School of Design at Northumbria University where he was responsible for developing a teaching and research agenda in the field and for assisting Inditex and the ITGLWF on key issues of corporate social responsibility.

Since 2012, when he stood down from the post at Northumbria, he has been advising IndustriALL, various MSIs and companies on various aspects of the implementation of living wage code elements in apparel supply chains.

Doug’s presentation will take stock of progress made in this critical area of CSR and sketch out a possible route map for future practical work on this issue.

Edwin Koster, European Representative, Social Accountability International

Edwin Koster heads up Max Value, a consultancy on CSR and sustainable supply chain management based in Amsterdam, the Netherlands. He also serves as Lead Trainer and Authorized European Representative of Social Accountability International (SAI). He co-authored SAI’s Handbook on the United Nations Guiding Principles on Business and Human Rights; A Six-Step Approach to Supply Chain Implementation. Edwin is also closely involved with the work of SAI on living wages.

During his presentation, Edwin Koster will describe the position of a living wage in SAI’s work and the SA000 standard. He will also describe the new methodology developed and piloted together with other standard setters and his vision on the way forward related to living wages.

Daniel Vaughan-Whitehead, Senior Economist, International Labour Office

Daniel Vaughan-Whitehead has more than 25 years' experience in the social field. He obtained his PhD in labor economics at the European University Institute in Florence (Italy). In the mid-1980s he worked as adviser to European Commission President Jacques Delors, mainly on Social Europe, before joining the ILO in 1991. After working in the transition process in 18 Central and Eastern European countries (based in Budapest from 1993 to 1999), advising governments, trade unions, and employers’ organizations in their transition processes, mainly in the areas of wages and industrial relations, he then put this experience at the service of the European Commission (DG Employment and Social Affairs), where he was responsible for social dialogue in the EU.
enlargement process and acted as a negotiator on social issues with the EU applicant countries (1999-2003). After his return to the ILO, he initiated in 2008 the series 'ILO Global Wage Reports', which has become established as a worldwide reference in this area.

From 2006 he created and developed a comprehensive methodology to assess and improve wage practices along the supply chain, the ‘Fair wage’ approach. After having tested and used this new approach in the field he presented it in a recent book *Fair Wages – Strengthening Corporate Social Responsibility* (Edward Elgar, 2010). At the end of 2009 he set up, with Auret van Heerden, the international Fair Wage Network to develop synergies among CSR actors on wage issues. Daniel Vaughan-Whitehead is also a Professor at Sciences Po in Paris, in the Master of Public Administration (MPA).

Daniel Vaughan-Whitehead will present the living wage issue within the perspective of global wage trends and the wage issues identified along the supply chain.

**Ruth Vermeulen, Sr International Verification Coordinator, Fair Wear Foundation**

Ruth Vermeulen is supervising the work of Fair Wear Foundation (FWF) on living wage, responsible for the work of FWF in Turkey, and a portfolio of member garment companies (verifying their efforts to implement the FWF Code of Labour Practices). Before joining FWF, Ruth worked on the promotion of international labor standards in global supply chains, trade union capacity building programs in Asia, and advocacy of social criteria of procurement at international development banks.

**Martha Anker, School of Public Health and Health Sciences, University of Massachusetts**

**Richard Anker, Political Economy Research Institute, University of Massachusetts**

Martha Anker is a statistician, retired from World Health Organization and currently in the School of Public Health and Health Sciences, University of Massachusetts. The focus of much of her work in WHO was on methodologies dealing with the collection and analysis of socio-economic and health data in developing countries, with special emphasis on developing practical rapid assessment techniques. She has been working on living wages with Richard Anker for the past several years.

Richard Anker is an economist, retired from the ILO and currently at the Political Economy Research Institute, University of Massachusetts. Since retirement from ILO, he has written a comprehensive review of living wage definitions and methodologies, developed an improved methodology for estimating living wages, and estimated living wages in 12 countries for companies and standard setting organizations. He has worked on measuring living wages for the past 10 years.

Their talk will discuss origins of their work on estimating living wages; the importance of working with groups of organizations and companies; the unique aspects of the methodology; how the methodology balances the need for transparency, credibility and replication; and how availability of credible living wage estimates fit into actions plans to raise wages of workers.
**Gilles Dana, CSR Manager, Switcher SA**

After his studies at HEC Lausanne, Gilles Dana started working for Switcher SA in 1996 as logistics manager before becoming CSR Manager in 2008. His main responsibility is to define the company's CSR strategy and to implement it in all the layers of the company. Since this year, he took on the additional role of traceability Manager at Product DNA SA.

In his presentation, Gilles Dana will dive into the importance of wage improvement vs. philanthropy based on a concrete pilot done by Switcher in a Chinese factory. He will address one of the key obstacles in the topic of Living Wages: how to ensure that the additional money paid actually goes directly to the workers? He will also share the reaction of factory management to the pilot: from initial resistance to understanding and seeing the benefits.

**Marion Röttges, Quality Manager, Remei AG**

Since her studies in Germany and degree in textile engineering, Marion Röttges has been working for more than 20 years in textile production, quality- and supply chain management and sourcing. From 1998 to 2003, she worked as Executive Quality Manager for Gemex Trading AG / sourcing agent of Metro Group. Since 2004, she works for Remei AG as Head of Quality Management with the aim of implementing the holistic bioRe®-philosophy in the sustainable bioRe®-supply chain.

In her presentation, Marion Röttges will explain the bioRe® view on living wages in a sustainable supply chain from cultivation of organic cotton through each step of production to the final product.

**Ben Ramsden, Founder, Pants to Poverty and Pi Foundation**

With a track record in sales and marketing, international development, grass routes mobilisation and organisational development, Ben Ramsden established the underwear brand Pants to Poverty in 2005, in order to develop a prototype for a business model that is profitably aligned with the needs of society and the environment. With the brand selling across more than 20 countries, he developed a unique value chain community model engaging organic and fair farming and factory communities and established the charity Pi Foundation to support them deliver greater impact. Recently he has developed a new social, environmental and financial accounting toolkit, the 3DPnL, to enable companies to measure, monetise and maximise their profits in all 3 dimensions. Ben is also aboard member of Textile Exchange, Organic Cotton Communities, Fashion Revolution, a Founding member of the Ethical Fashion Forum, a Gazelle Entrepreneur and a member of Fairtrade International's Textile Advisory Group for the development of a living wage.

Ben Ramsden's presentation will focus on the calculation of a product based living wages and the reduction of unnecessary variable cost based on examples. He will also introduce the Fair profit ratio: it's not all down to the factory and share strategies to deliver Fair profit.
After 12 years working in conventional textile industry, Bruno Van Steenberghe took a year in 2010 to study and deepen his knowledge about sustainability in the textile industry and joined a project beginning 2011 to build a new fashionable, premium & sustainable Belgian concept brand: Stanley & Stella. Bruno is the man on a mission to ensure end-to-end sustainability and respect of Nature and People behind every piece of clothing. He believes that sustainability is not only about certifications; sustainability is about acting according to your beliefs. Living Wages issues is a crucial aspect of his work.

Bruno Van Steenberghe will present how Best Sourcing Practices have a direct impact on Living Wages and how Stanley & Stella practically works to allow the payment of Living Wages at its supplier’s factories, especially in countries such as Bangladesh.
Location

Universität Dekanat Philosophische Fakultät I (KOL G212)
Rämistrasse 71, CH-8006 Zürich

From the airport: Go to the main station by train (ca. 12-18 minutes) and see below.

OR

Take Tram No. 10 (direction main station) and get off at Zürich, ETH/Universitätsspital (ca. 30 Minutes).
Walk 3 minutes to the main building of the University (see map, blue dots).

From the main train station: Take Tram No. 10 (direction Flughafen/Airport) to Zürich, ETH/Universitätsspital (ca. 5 Minutes, see map below)