

Introduction

At Fair Wear Foundation, we know there's a better way to make clothes. We want to see a world where the garment industry supports workers in realising their rights to safe, dignified, properly paid employment. To do this, we focus on garment production, specifically sewing, cutting and trimming processes—the most labour intensive parts of the supply chain. We work with member brands, who are committed to finding a fairer way to make clothes, and we engage directly with factories, trade unions, NGOs and governments to find answers to problems others think are unsolvable. Together we're stitching together new solutions across the supply chain to make fashion fair for everyone.

Living wages are a human right. Everyone should receive a wage that covers his or her basic needs, yet the wages earned by the people who make your clothes are not liveable. Despite decades of talk about living wages, workers have seen little action. We need a new normal. We need to change the industry. Our message to brands is simple: Get more money to the people who make your products. Now. More information on Fair Wear's Living Wage programme can be found here:

<https://www.fairwear.org/programmes/living-wage>

The Fair Wear Labour Minute and Product Costing calculator (LMPC) helps factories to carefully calculate the labour costs for a product style based on current or projected wage levels such as increased legal minimum wage, a CBA or living wage. The calculator is aimed to determine product prices that would enable the factory to ensure the payment of a living wage to workers and not to exploit the supplier in the cost price negotiations. More information on Fair Wear's Labour Minute Value and Product Costing Calculators can be found here:

<https://www.fairwear.org/resources-and-tools/labour-minute-costing-calculators>



Project description

We have developed the Fair Wear Labour Minute and Product Costing calculator (LMPC) for 11 production countries. Now, we are making sure all information in the calculator is correct, and that it is easy to use. Therefore, we started to collect data in different factories in different production countries. Collecting feedback on the calculators makes sure they work correctly and in the most user-friendly way possible. By collecting the filled-out product tools, we gather data on the labour cost of products in various factories and countries, which should be used to write a publication on the labour cost of a garment. To be able to write this publication, it is important that the data is gathered in a consistent way.

Currently we have access to filled out calculators for specific products, collected by our local teams who are visiting the factories to take them through the tool and fill it out directly in Macedonia, China, Turkey, Bangladesh, Bulgaria, India and Romania. In other Fair Wear countries local teams are not able to visit factories because of COVID-19. Therefore we are looking for ways local teams can contribute through desk research, preferably calling factories to collect the data and fill the tool if

The aim of the project is an update to Fair Wear's 2012 publication 'Climbing the Ladder', which addressed the following:

- What are minimum and actual wage trends in the sector in the focus countries of this project?
- Analysis of current situation: Compare wage levels in different/selected GTF countries and how they have increased over time, been affected by inflation, overtime etc.
- Introduce concept of a living wage and compare actual/minimum wage trends with potential living wages in GTF sector in selected countries: How much would wages have to rise?
- How much would the payment of a living wage increase production costs (FOB price) and consumer/retail prices?
 - Introduce concept of compounding price escalation
 - Cost breakdown of sample products and case studies: E.g. Example of T-Shirt/Bangladesh, jeans/India comparing those with a more complex/expensive luxurious product/...
 - How much would consumers have to pay if living wages were paid in the sewing factories?

- COVID-19 costs
- Lessons learned and experiences with approaches introducing living wages.

Request for support

For this project we are looking for someone to support us with data collection, providing support to our local teams, data analysis and writing a draft of the publication. We expect a possible partner to have thorough knowledge of labour minute costing and Fair Wear's Labour Minute Value and Product Costing Calculators. Direct access to factories, to collect additional data is considered an important asset.

Please share your quote for the support of this project with Paula de Beer (debeer@fairwear.org) before 21 September. The work will start as soon as possible and the publication is due 31 October.