



By Devan Daniel

Sri Lanka's apparel manufacturers would like retailers to take a share of the cost to comply with ethical labour standards and international conventions on labour rights.

"It is a constant battle we have with our buyers and we would certainly like to see them take an

firm," an executive of the buying office said.

But they don't have to... According to Mirchandani, retailers often do not pay for what they ask for, in this case ethical working conditions.

"But we do not expect them to either because the garment industry in Sri Lanka stands by its commitment to be ethical no matter what and has been doing so for years.

"There is concern and debate in the West whether the global economic crisis would actually force suppliers to look for short-cuts, but this is where Sri Lanka

ing steps to resolve labour rights throughout their supply chains.

"But it is clear from the evidence we found that these steps are not enough—and further, that the Giants' purchasing practices are making matters worse," the CCC said in its report.

"The Giants are undermining their own ethical standards

● Preached, not practiced—buyers make violations of labour rights inevitable—study

Garment industry would like buyers to share cost to comply with Ethics

equitable share of the cost of compliance," President of Garment Exporters Association Kumar Mirchandani told the Island Financial Review.

While buyers ask for high ethical standards to be maintained, they are unwilling to reimburse the additional costs, called the cost of compliance, by offering appropriate prices for garments and constantly pressurize manufacturers to accept their terms.

An example is a buying office in Sri Lanka of a retailer in the UK who has to compete with other offices in the region.

"The prices they demand are absurdly low and we complied for some time because they would threaten to get their requirement from another regional office, but now we tell our head office to take it or leave it. We find that we have to be

stands out," he said.

But there are ways of helping...

Mirchandani said that retailers could be helpful by adopting reasonable buying patterns.

"Retailers tend to make late decisions on orders and make last minute changes. This puts a strain on the production process. If they can reduce this it will be very helpful to us," he said.

Buyers make violations of workers' rights inevitable...

A recent report by the Clean Clothes Campaign (CCC) said that major retailers in the US and EU are making profits, despite the financial crisis, through "everyday low prices made possible by subsidies from millions of people around the world."

It said that large retailers, (referred to as Giants) are tak-

ing on a daily basis through purchasing relationships with suppliers that not only make violations of labour rights more likely—they make them inevitable," it said.

The CCC had interviewed 440 garment workers in Sri Lanka, India, Bangladesh and Thailand and several employees of buying offices as well.

Working excessive hours for poor wages, deprived of forming unions and the lack of job security were the main issues these workers face, although reading the report Sri Lanka was clearly better than the rest of the countries surveyed.

The CCC suggests these Giants set retail prices in a responsible manner.

"Refrain from advertising that creates consumer expectations of unsustainable low prices," it said.