

SOCIAL DIALOGUE IN APPAREL: OBSTACLES & OPPORTUNITIES

18 May 2021

Global Deal/ Fair Wear Foundation



ILR New Conversations Project



SOCIAL DIALOGUE

Social dialogue includes:

Negotiation, consultation

Collective bargaining

Dispute prevention and resolution

Workplace cooperation, international framework agreements

Source: ILO

Preconditions for sound social dialogue:

Strong, independent and representative employers' and workers' organizations with the technical capacity and access to relevant information

Political will, trust and commitment to engage in social dialogue by all the parties

Respect for the fundamental rights of freedom of association and effective recognition of the right to collective bargaining



STATE ROLE IN SOCIAL DIALOGUE

	Political Typology			
	Fluctuating	Polarized	Subsidiary	Cooperative
Country	Ethiopia Myanmar India Mexico*	Cambodia Indonesia	Vietnam Bangladesh Cambodia	Bulgaria Honduras

*Table 1*Note that Mexico is undergoing in 2021 a period of significant labor reform*

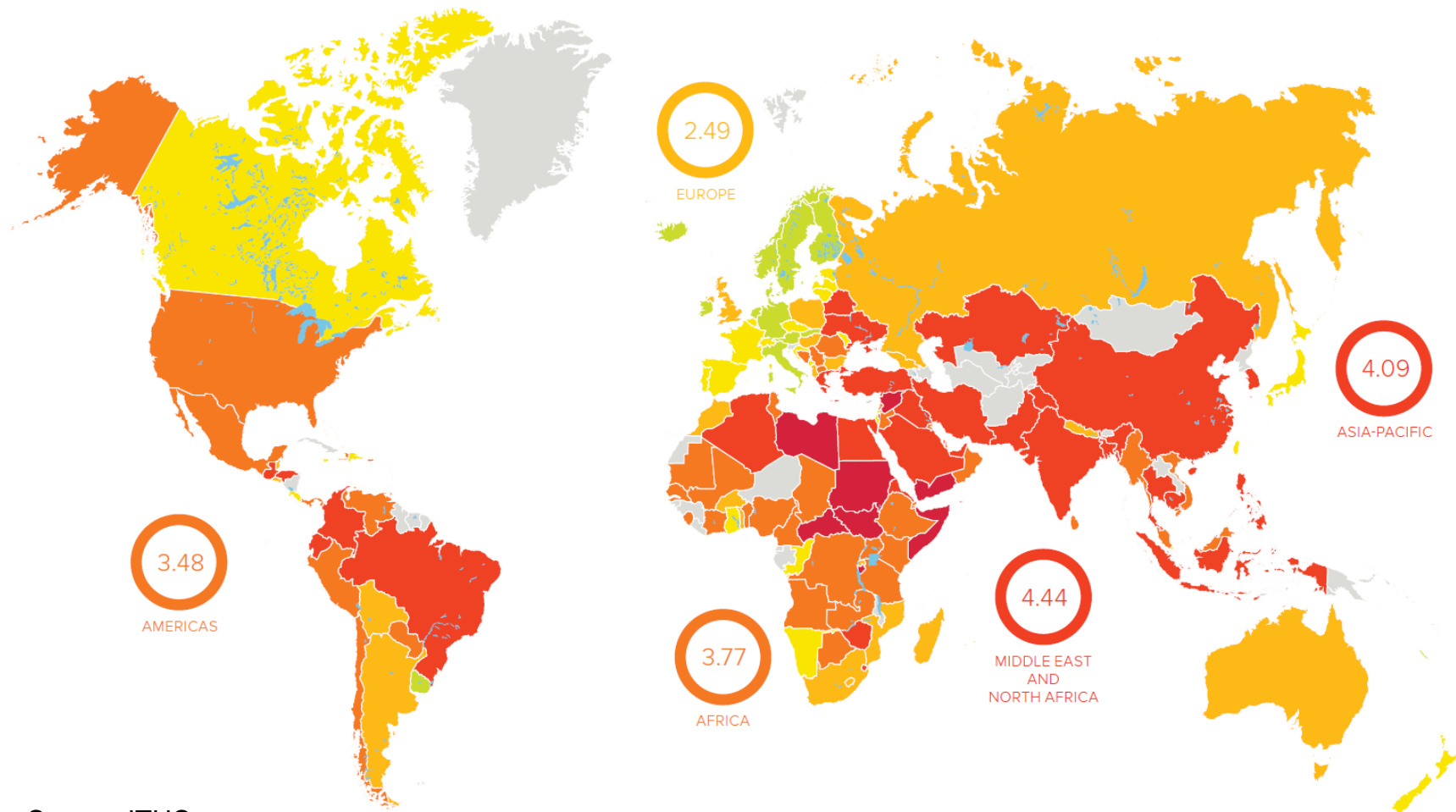


FACTORY LEVEL SOCIAL DIALOGUE

Available data show that the presence of both unions and collective bargaining agreements significantly improves labor compliance

Union, CBA Interaction	Number of Factories	Overall Compliance %
Union with CBA (A)	903	90.61
Union but No CBA (B)	586	83.97
CBA, but No Union (C)	34	86.48
No Union, No CBA (D)	441	81.63

FREEDOM OF ASSOCIATION



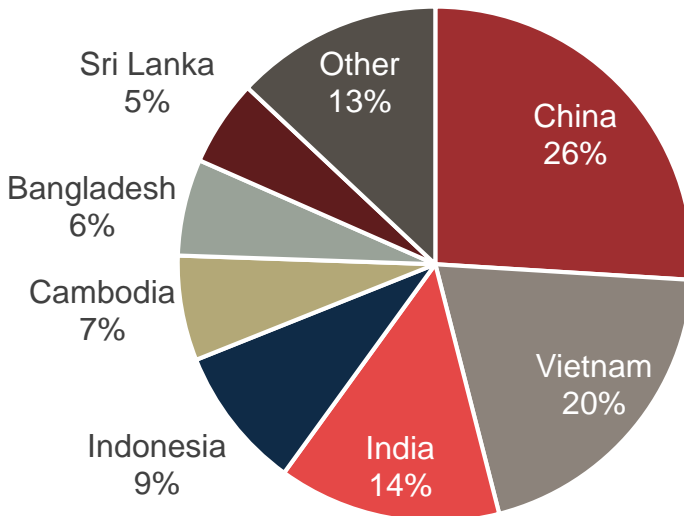
Source: ITUC



FREEDOM OF ASSOCIATION

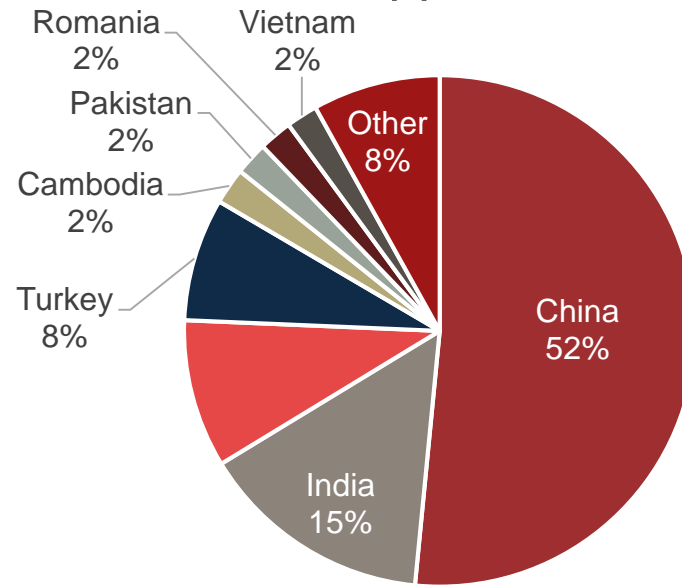
Most apparel brands source (>50%) the majority of their clothes from countries where institutional support for FOA and CB is low.

Gap Supplier Factories



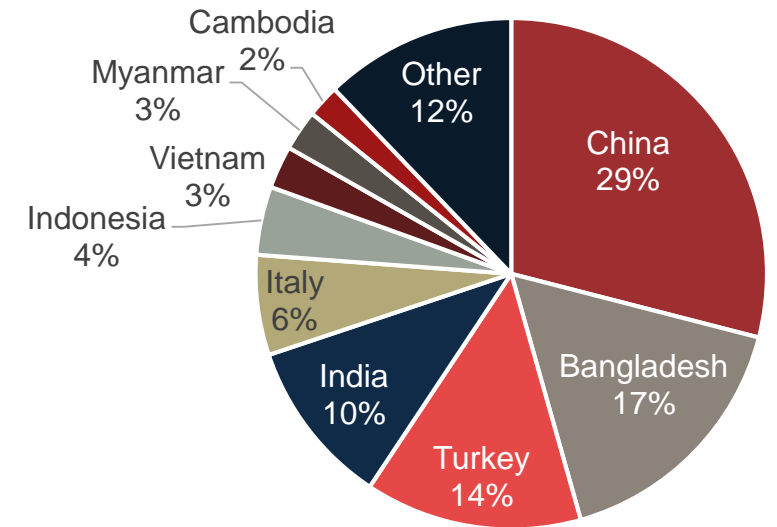
Gap Inc. Factory List (April 2019)

Primark Supplier Factories



Primark global sourcing map (2019)

H&M Supplier Factories



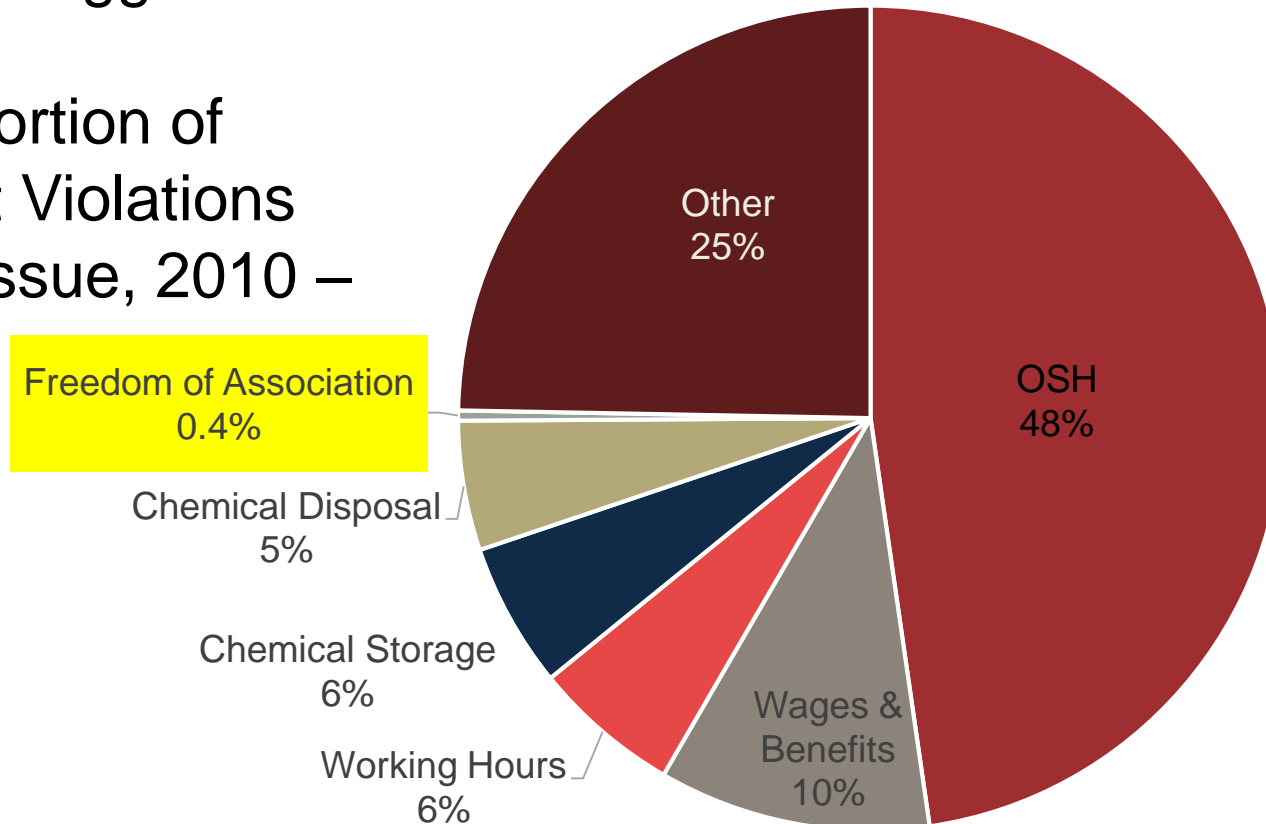
H&M Supplier List (August 2019)



HARD TO SEE, HARD TO COUNT?

Suppliers often lack experience with and incentive to engage with unions. Following their lead, many auditors have a check-the-box approach to FOA, and struggle to detect violations.

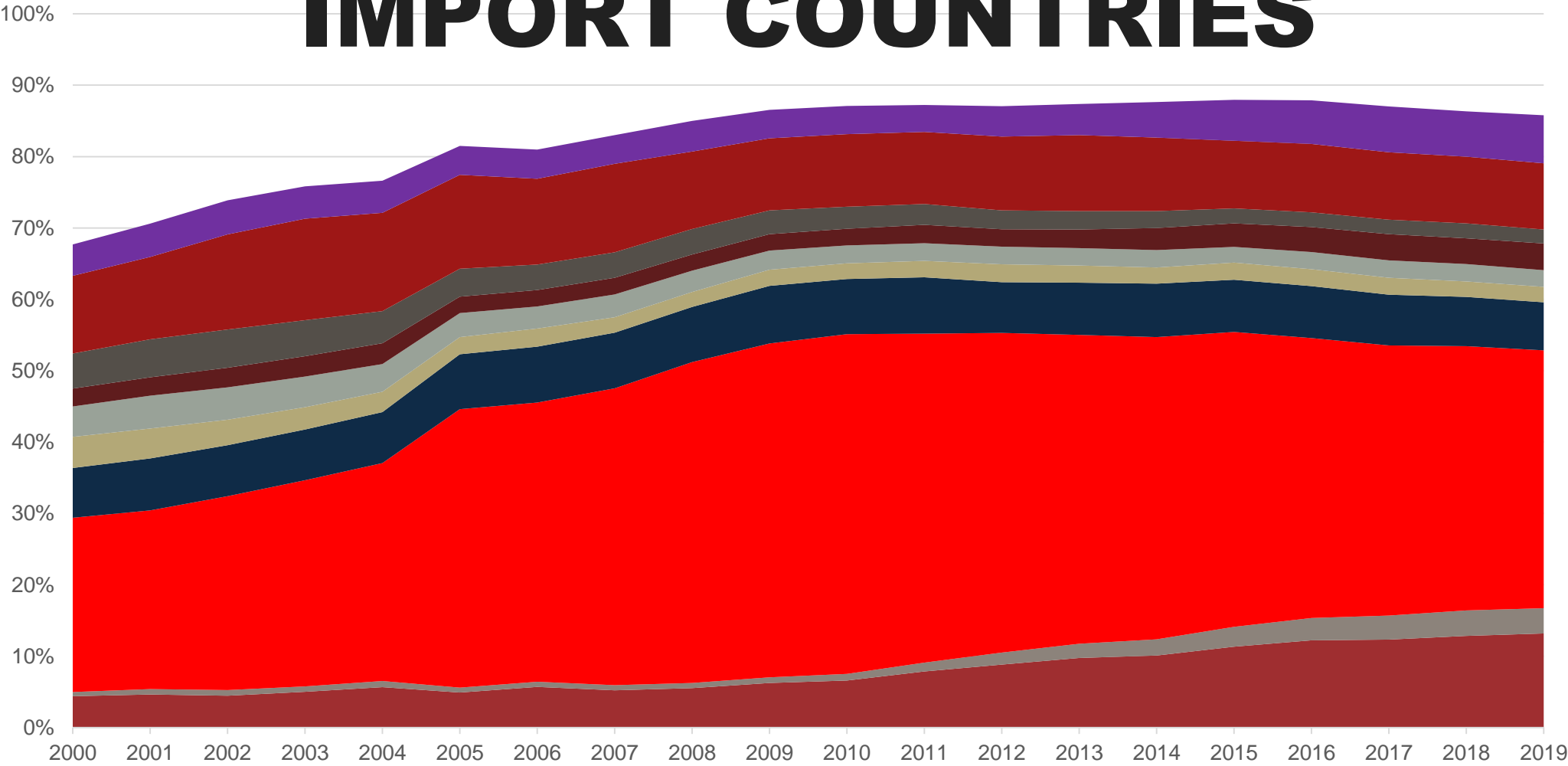
Proportion of
Audit Violations
per Issue, 2010 –
2017



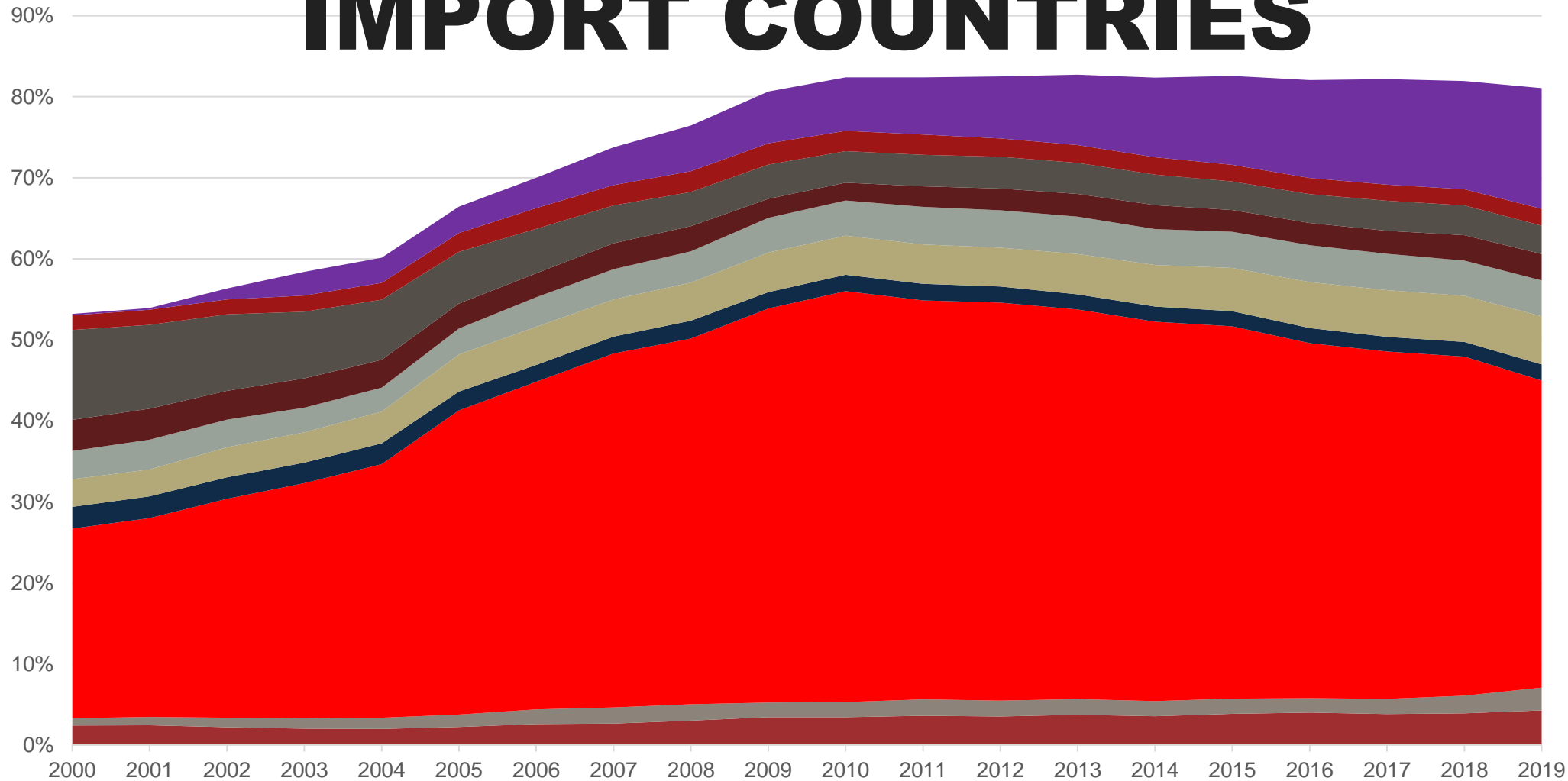
Data from a leading
global retailer



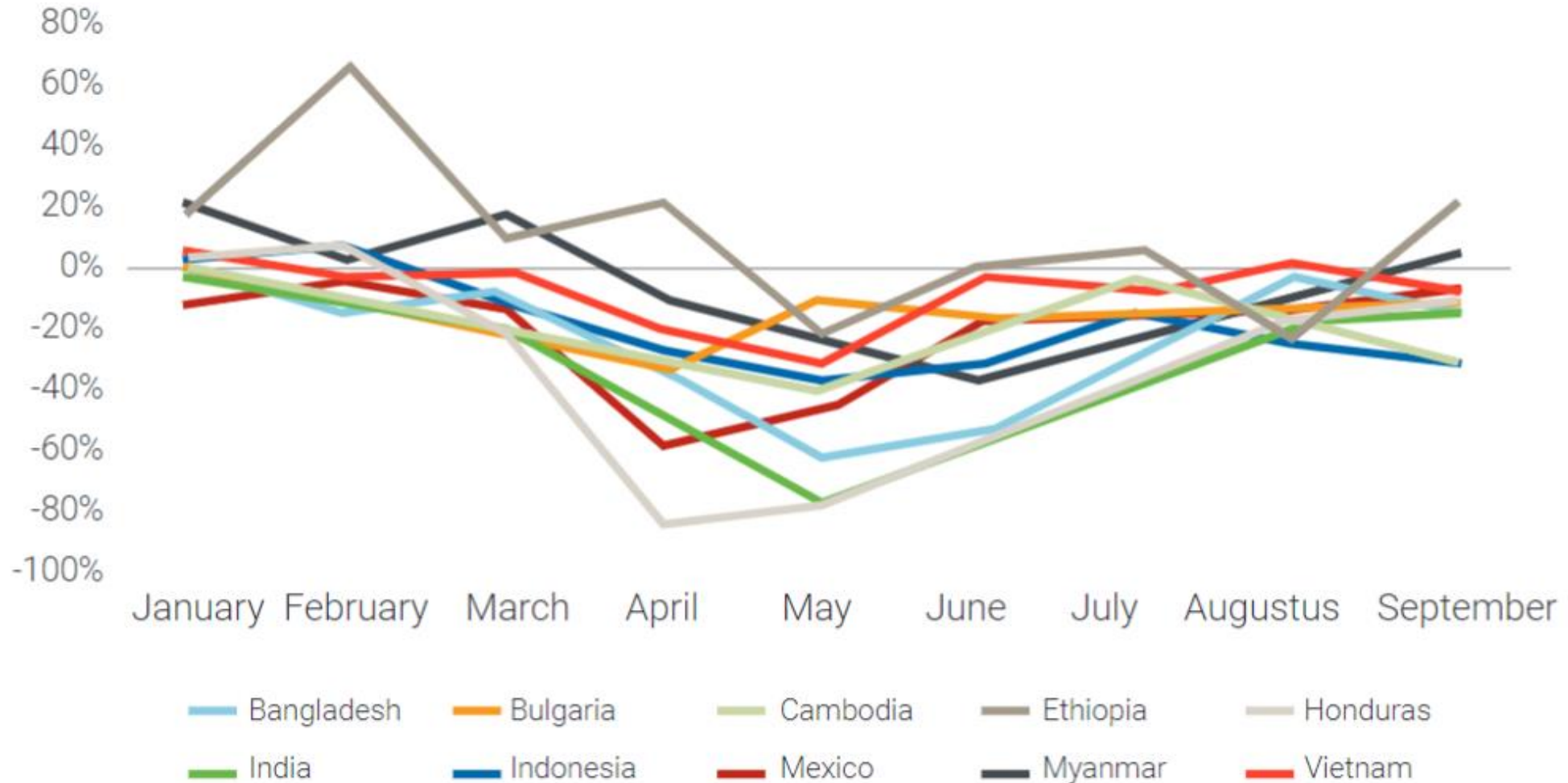
EU TOP 10 APPAREL & FOOTWEAR IMPORT COUNTRIES



US TOP 10 APPAREL & FOOTWEAR IMPORT COUNTRIES



COVID AND CHANGES IN US & EU APPAREL/FOOTWEAR IMPORTS



COVID-19 AS A SOCIAL DIALOGUE STRESS TEST

	Functional	Ritualistic	Opportunistic
National - Level Dialogue	Honduras Ethiopia Myanmar Bulgaria Vietnam	Bangladesh Mexico Vietnam	India Cambodia Indonesia

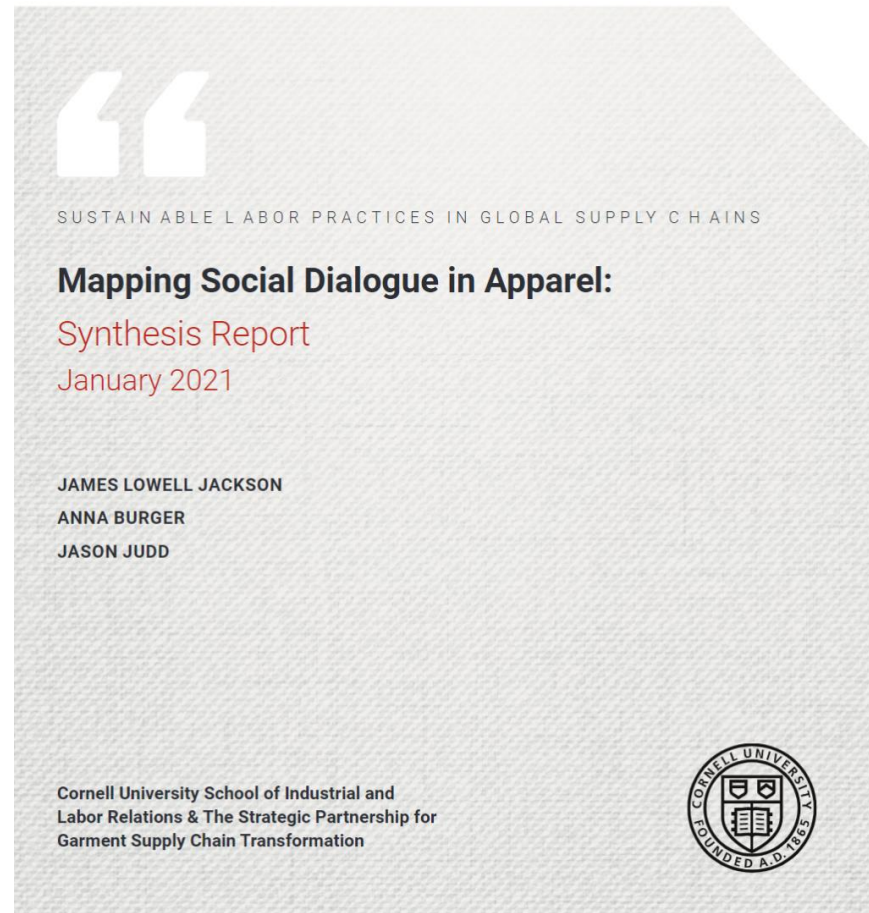


SOCIAL DIALOGUE, TRADE AND PUBLIC REGULATION

“We urge the government of Cambodia to publicly present a roadmap, together with an inclusive tripartite national mechanism, that sets out, and implements, specific, concrete, and time-bound steps to bring Cambodia in line with international standards on the above issues. (22 Jan 2020)



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