



STILL IN THE DARK

LIFTING THE CLOAK ON THE GLOBAL GARMENT TRADE

APRIL 2016 • OXFAM AUSTRALIA



OXFAM
Australia



More than 89% of people surveyed said they were willing to pay a little more for clothes to ensure garment workers had safe and decent working conditions.

DHAKA, BANGLADESH: Families mourn victims of the deadly Rana Plaza collapse. Photo: AP Photo/A M Ahad.

Hidden from the view of consumers, more than 60 million people¹ work in the garment industry to fuel fast fashion. In Asia alone, this industry employs more than 15 million people². More than 80%³ of these workers are women, they are predominantly young, and often from poor rural backgrounds.

Asia supplies more than 90% of the garments imported into Australia. It's time for the big brands to stop being secretive about the factories where our clothes are made.

In April 2013, the Rana Plaza factory collapse in Bangladesh killed more than 1,100 people and injured another 2,500. Most were female garment workers. Facing a public backlash, fashion brands scrambled for months to identify if their stores were being supplied by the factories in Rana Plaza. Shockingly, a lack of knowledge and transparency about where clothes were being made meant that some big brands did not know if they sourced from Rana Plaza. Hidden supply chains meant that other brands could still claim not to source there, and it was very hard to prove otherwise.

Three years after the collapse, 12 Australian companies have taken some action by signing onto the Bangladesh Fire and Safety Accord. This has enabled safety inspections of more than 1,600 garment factories in Bangladesh. Australian clothing companies were also challenged to publish the locations of their Bangladeshi clothing suppliers. However, only five of 12 major Australian

retail brands have done so, providing the details on their websites.⁴ Making this information publicly available is vital to ensuring claims about worker safety and other conditions can be independently verified.

This cloak of secrecy isn't limited to Bangladesh. Many of our clothes come from China, Vietnam, Cambodia, Indonesia, India, Pakistan and Myanmar. But in these countries too, many of Australia's largest clothing brands aren't being transparent. For years, Oxfam has been asking Australian fashion brands to reveal where they make their clothes. We've been requesting that they publish the names and addresses of all their factory suppliers on their websites — helping both them, and Australian consumers, to make more informed choices. But as our latest scorecard reveals, the results are disturbing. A majority of Australian brands are still being secretive about the locations of their suppliers.

SCORECARD REVEALS ALMOST 60% OF AUSTRALIA'S MAJOR BRANDS ARE CLOAKED IN SECRECY

Oxfam has just finished investigating 12 of Australia's major fashion retailers. Of these, we've found only five have taken strong action to ensure the transparency of their supply chains. These include Kmart, Target, Coles and now the Specialty Fashion Group (which owns household names such as Rivers, Katies and Millers) as well as Woolworths.

But other brands, including Cotton On, Best & Less and the Just Group (which owns Just Jeans and Peter Alexander) still haven't published the names and locations of their factories on their websites.

From Bangladesh to Myanmar, from China to Cambodia and Vietnam, Australian brands are operating in near secrecy to bring their fashions to our shores. New research from Oxfam and labour rights groups in Myanmar shows that garment workers are working up to 11 hours a day, six days a week, but remain trapped in poverty. Following decades of economic isolation, political reforms have seen global retail heavyweights like GAP, H&M, Primark and adidas starting to source from Myanmar factories.⁵ As our scorecard reveals, some Australian fashion brands are starting to follow. This makes transparency in these countries increasingly important too.

But no matter where clothes are made, without knowing the names and locations of factories, it is extremely difficult to independently confirm whether workers associated with Australian brands are being treated fairly, whether their conditions are safe or what they are being paid.

While some Australian fashion brands have published no details of their supply chains, others have published the percentages of clothing they're having made in each country. But this simply isn't good enough. Workers' representatives need production details down to the supplier-factory level to effectively monitor and help ensure fair working conditions are introduced and maintained. In Bangladesh, the companies that are



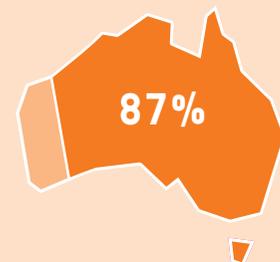
DHAKA, BANGLADESH: Rescuers at the Rana Plaza factory collapse. The illegally-built factory collapsed on 24 April 2013 killing more than 1,100 workers and injuring more than 2,500. Photo: EPA/Abir Abdullah.

members of the Bangladesh Fire and Safety Accord and the Alliance for Bangladesh Worker Safety do have the factories they use published on the respective website of each agreement. However, there is no way to tell which companies source from each factory. There needs to be a clear line drawn from the factories where the clothes are made, to the companies that profit from them in Australia.

Some brands, like Forever New, are very close to publishing their full factory list on their website and have been transparent about many of their supplier factories. But while better, this is still not a complete list. Pacific Brands — the owner of brands including Bonds — has taken the very recent step of publishing the names and locations of the four factories that they own. We welcome this but it is far away from publishing a complete list of supplier factories.

It's time for action. Australian brands need to join with the leaders in transparency by publishing their full factory lists — this information cannot remain hidden.

Get the full picture on Australian brands in our new scorecard on page 4.



Of 1,000 Australians surveyed by Oxfam, 87% said they were not confident that overseas workers making clothes for Australian clothing companies were earning a fair wage or working in a safe and clean environment.

TRANSPARENCY SCORECARD

	SECRETIVE — these brands have not published any of their overseas suppliers' names or addresses ⁶					SHADY— these brands have only revealed some overseas supplier names and addresses		SUPER TRANSPARENT — these brands have published all overseas supplier factory names and addresses				
COMPANY	Best & Less	Pretty Girl Fashion (including. Rockmans, Table Eight)	The Pas Group — Design Works (including. Metalicus, Review)	The Just Group (including Just Jeans, Jay Jays, Dotti, JacquiE, Portmans, Peter Alexander)	Cotton On (Cotton On, Cotton On Kids, Cotton On Body, Factorie, Typo, Supre)	Pacific Brands (Bonds, Berlei, Holeproof, Voodoo, Razzamatazz, Jockey, Tontine and Dunlop Flooring)	Forever New (Forever New, Ever New)	Woolworths	Coles	Specialty Fashion Group (Millers, Katies, Rivers, Crossroads, Autograph, City Chic)	Target	Kmart
FACTORY LISTS PUBLIC	No	No	No	No ⁵	No — has only published a basic country breakdown	Partial — has published the details of the four factories they own	Partial — does not publish its full factory list. But has recently expanded its factory list.	Complete	Complete	Complete	Complete — goes beyond garments	Complete — goes beyond garments
COUNTRIES REPORTING IN	Hidden	Hidden	Hidden	Hidden	China (87%), Bangladesh (10.2%), India (2.32%), Myanmar (0.18%), Hong Kong (0.7%)	China (66%), Australia (15%, 3 factories), Indonesia (7%, one factory), Cambodia (5%), India (2%), Hidden (5%)	China (88.1%, named 9 factories), Vietnam (8.7%, named one factory), India (1.3%, named one factory), Europe (1.1%, named 8 factories), Bangladesh (0.8%, named one factory)	Bangladesh (36 factories), Cambodia (4), China (109), India (2), Vietnam (1).	China (49 factories), Cambodia (4 factories), Vietnam (3 factories), India (3 factories)	China (91 factories), Bangladesh (82 factories), India (15 factories), Vietnam (4r factories), Pakistan (one factory)	China (411 factories), Bangladesh (37 factories), India (16 factories), Vietnam (12 factories), Cambodia (10 factories), Pakistan (6 factories) Indonesia (4 factories), Myanmar (4 factories), Australia (4factories), Malaysia (2 factories), Sri Lanka, Thailand, South Korea and Belgium (one factory each)	China (414 factories), Bangladesh (35 factories), India (32 factories), Indonesia (10 factories), Cambodia (6 factories), Vietnam (5 factories), Pakistan and Taiwan (4 factories), Malaysia (2 factories), Egypt (one factory)
FACTORY LIST UPDATED REGULARLY ¹	No	No	No	No	No	Limited factory list is new	Forever New's partial list is regularly updated	Yes	Yes	Yes	Yes	Yes
PUBLISH SOURCING POLICIES ²	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
PUBLISH CODE OF CONDUCT ³	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
PUBLISH AUDITOR DETAILS ⁴	No	No	No	Yes	No, but provides some details	Yes	No	Yes	No	No, but provides some details	No	No

¹ Regular updates are made every six months.

² This refers to the collection of company policies which govern and guide the way a company sources its products: from raw materials to finished product.

³ This is a code of conduct that governs the behaviour of a company's employees — including how they deal with suppliers overseas. Sometimes the code of conduct and the supplier policies are in the same document, which has also been taken into account above.

⁴ It is important to know the names of auditors hired by our fashion brands: not all auditors do the job we expect of them. There are many examples of audit firms reporting that workers are paid properly, are receiving all their entitlements, and that workplaces are safe, when in fact this is not the case. For big fashion labels, non-government organisations and consumers to feel confident an auditor is independent and getting it right, it is essential they know who these auditors are.

⁵ In their annual report, The Just Group does provide a list of the countries they source from. Unlike more transparent companies, they do not give a breakdown of the percentage of supply from every country in which they source garments, nor have they published the names and addresses of any factories on their website. The countries they list include Bangladesh, China, India, Indonesia, Italy, Korea, Sri Lanka, Taipan and Vietnam. They note 86% comes from China.

⁶ Oxfam's criteria is that brands align with best practice by publishing their full list of supplier factory names and addresses on their website. This draws a clear line between the brands in Australia and the factories they use around the world.

CONSUMERS CALL FOR AN END TO SECRECY

Australians are increasingly looking for companies to be ethical. The public is demanding Australian brands come out of hiding and reveal where they source garments from.

A national survey by Oxfam examined the attitudes of 1,000 Australians towards our garment industry. It revealed that 87% of respondents agreed that all companies should publish the names and locations of their factories overseas.

A further 87% of respondents said they were not confident that overseas workers making clothes for Australian companies received a fair wage or that they were working in a safe and clean environment.

WHY DO WE NEED TO PUBLISH FACTORY NAMES AND LOCATIONS?

TRANSPARENCY HELPS PROTECT THE RIGHTS OF WORKERS

Transparency enables workers to know which brands are purchasing from their factory. This enables them, or their union or other representatives, to approach the brand directly if problems can't be resolved at a factory level. It means the claims made by companies about working conditions, pay and safety, can much more easily be checked — including through surprise and independent visits to factories.

The transparency provided by the combination of publishing factory details and supply chain policies



also allows workers to check if their factory is meeting the human rights and labour rights expectations of the brands purchasing their garments.

IT'S A FOUNDATION FOR BETTER PAY AND CONDITIONS

There's a long way to go before the workers who make your clothes can get fair conditions and a decent "living wage". For example, Bangladesh, which provides the second-largest volume of clothes to the Australian market, has more than 3.6 million garment workers.⁶ Most are young women, who toil to fuel the fast fashion industry. Their work day is often 14–16 hours long⁷ — excessive work hours which they have no choice over and that are often worked under poor conditions. The minimum wage for garment workers in Bangladesh is around AUD\$20 a week. This is far short of what's needed to sustain a family, build some savings, provide transport and afford quality health care and education.

Making factory details public is an important step towards changing this situation. It enables both working

conditions and pay to be independently checked. Failing to improve transparency condemns workers to remaining hidden and risks continued exploitation.

IT'S ALSO GOOD FOR COMPANIES

Companies that are transparent about their supply chains reassure consumers that they have nothing to hide. This provides confidence that their supply chains are meeting their sourcing guidelines.

The publication of factory details can provide a short circuit for workers to approach brands when there is a problem in their factories. It means problems can be resolved more quickly, lowering risk for workers as well as potential costs and risks — including reputational risk — for companies.

Publishing full factory details is quickly becoming best practice in the global fashion industry, with Kmart, Target, Coles, Speciality Fashion Group and Woolworths taking this step in Australia. International brands including H&M, G-Star, Nike and Adidas have also been publishing their lists for some time. Companies that keep their factories hidden are now being left behind, neither meeting rising industry nor consumer expectations.

Three years on from the Rana Plaza tragedy, there has been enough talk. It's time for action — and transparency is the next step for Australian fashion.

"By being open and transparent about these partnerships and by giving customers visibility on our ethical sourcing policies, it allows our customers to make more informed purchasing decisions."

Speciality Fashion Group
Chief Executive Officer Gary Perlstein



NOTES

¹Global Garment Industry Factsheet, Clean Clothes Campaign, p1, available from: <https://www.cleanclothes.org/resources/publications/factsheets/general-factsheet-garment-industry-february-2015.pdf>

²"2014 Report: Living Wage in Asia", Clean Clothes Campaign, p5: available from: <https://www.cleanclothes.org/resources/publications/asia-wage-report>

³"Well Made: improving working conditions in your clothing supply chain", p17: available from: http://www.fairwear.org/ul/cms/fck-uploaded/documents/fwpublications_reports/FWF-Wellmade-booklet-2016.pdf

⁴All brands that are members of the Bangladesh Fire and Building Safety Accord, and the weaker Alliance for Bangladesh Worker Safety, have the names and locations of their factories in Bangladesh published in a pool on the websites of each agreement. However, the list does not clearly identify which companies source from each factory. This is the level of transparency that Oxfam is calling for.

⁵Oxfam: D. Gardener & J. Burnley, (2015) "Made in Myanmar: Entrenched poverty or decent jobs for garment workers?", Oxford, Oxfam International, https://www.oxfam.org/sites/www.oxfam.org/files/file_attachments/bp209-made-in-myanmar-garment-workers-091215-en.pdf

⁶"2014 Report: Living Wage in Asia, Clean Clothes Campaign", p17: available from: <https://www.cleanclothes.org/resources/publications/asia-wage-report>

⁷Global Garment Industry Factsheet, Clean Clothes Campaign, p16, available from: <https://www.cleanclothes.org/resources/publications/factsheets/general-factsheet-garment-industry-february-2015.pdf>

FRONT AND BACK COVERS — PHNOM PENH, CAMBODIA:
Workers sew clothes in Fong Yean factory, which supplies Coles. Transparency in Coles' clothing supply chain means that pay and other conditions of workers can be checked. It has also meant Oxfam could visit this factory and talk to its workers.
Photo: Bianca Wordley/OxfamAUS.



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