

Questions over labour standards at Wal-Mart's Indian suppliers

By Jake Kanter

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A number of Wal-Mart's suppliers in India have refused to pay staff the minimum wage, a report has found.

Research by campaign group Wake Up Wal-Mart found that factories in Bangalore producing clothes for the US retail giant and other firms have failed to pay 125,000 workers the correct minimum wage after it was increased a year ago.

The group said the suppliers owed staff more than one month's wages and that the entire Bangalore apparel workforce was owed more than \$10 million (£6.7 million).

A Wal-Mart spokesman said the company was already working with the Worker Rights Consortium to address issues in factories highlighted in the report, and added that the factories supplying Wal-Mart also provided goods to many other retailers.

The company's supplier standards state that vendors must "fully comply with all applicable national and/or local laws", including those on labour standards.

But in a statement Wake Up Wal-Mart accused the company of a publicity campaign. "Any ethical standards programme that Wal-Mart has talked up is clearly just public relations and doesn't reflect [its] business practices. We call on Wal-Mart to ensure that the workers in the Bangalore factories where its products are produced are immediately paid the back-wages they are owed."

The Wal-Mart spokesman said: "We expect our suppliers to meet our standards for suppliers and maintain one of the largest ethical standard operations in the world to ensure compliance, conducting more than 11,500 audits a year and training more than 14,000 supplier and factory managers."

He said its rigorous ethical standards programme "aggressively deals" with any allegations of improper conditions at suppliers' factories.

This study follows a report by [China Labour Watch](#), which found evidence of "inhumane overtime systems", an "elaborate system to cheat Wal-Mart audits" and pay packets "below the minimum wage" at two of the retailer's Chinese suppliers.