

Walmart suppliers in minimum wage controversy

Published: March 15, 2010

Factories in Bangalore, India that make clothes for <u>Walmart</u> are failing to pay <u>legal</u> <u>minimum wages</u>, it has been claimed.

Campaigning group Wake Up Walmart alleges that approximately 125,000 workers have been exploited since minimum wages were increased one year ago. To substantiate its claims it points to a report released today by the Worker Rights Consortium. According to the report, the factories owe the workers more than one month's back pay and citywide, the Bangalore apparel workforce is owed more than \$10 million dollars.

Walmart's South Asia procurement and vendor compliance operations are headquartered in Bangalore and the company is a major purchaser from one of the biggest offenders cited in the report, according to Wake Up Walmart.

The group went on to point out that Walmart says it requires compliance with local laws, including minimum wage laws, in its Standards for Suppliers and audits factories which export to Walmart as part of its Ethical Standards Program.

"As the largest retailer in the world, Walmart has set the moral low ground when it comes to making sure the factory workers who produce the goods sold in their stores are properly paid for their work. It is especially telling that such ethical violations take place in the backyard of their regional compliance office," Wake Up Walmart stated.

"We call on Walmart to ensure that the workers in the Bangalore factories where their products are produced are immediately paid the back wages they are owed."