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Statement of the Worker Rights Consortium concerning the Global Union/Employer Statement on the Crisis in Garment Supply Chains

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The Worker Rights Consortium welcomes the statement from Global Unions and the International Organisation of Employers concerning the crisis in global apparel supply chains. The joint statement is a positive step in the effort to address the crisis. It calls on brands and retailers to pay for all orders completed and in production, and it commits all parties to press quickly and energetically for a robust rescue package for garment workers and suppliers—one that provides support for all workers, regardless of employment status or classification, and that maintains workers' normal income in the months ahead.

It is important to understand that the joint statement is an initial step, not a comprehensive solution or concrete plan of action. The test for corporations endorsing it is whether they follow through:

- By making and honoring concrete commitments to pay on time, and in full, for all orders they have placed with suppliers, and
- By working with all parties to ensure a swift mobilization of public resources from international bodies to provide direct income support to garment workers that is sustained throughout the crisis.

Since such support will constitute a public rescue of private supply chains, it is incumbent upon brands and retailers to pay their share. Brands and retailers should move promptly to negotiate enforceable commitments with global union bodies to pay higher prices for product in the future to fund stronger social protections for workers, so that the extreme vulnerability of workers in the current crisis is never repeated.

The WRC will continue to <u>monitor and report</u> on which brands have made concrete commitments to pay for orders and which brands are keeping those commitments. We will also be reporting on the central question of whether suppliers are paying wages and whether any rescue funds made available are reaching workers.

The current catastrophe is laying bare the dramatic inequities that define global supply chains, from payment terms that grossly disadvantage suppliers to the failure of brands and retailers to pay prices to suppliers that are commensurate with the cost of living wages and decent conditions of work. Beyond the immediate action necessary to help workers survive the crisis, fundamental reform of sourcing and pricing practices is essential.

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