

PIMKIE

Brands: Pimkie



COMPANY POSITION ON THE LIVING WAGE:

“To date our audits allow us to verify the application of the minimum wage set in each country where we produce. Although we consider that it is the role of the government to define minimum wage levels, we are sensitive to the living wage and will start to work on it shortly, based on the AFW [Asia Floor Wage] road map to a living wage ”

WHAT WE SAY:

Although we welcome the ‘sensitivity’ felt by Pimkie towards the living wage, not enough is yet being done to make this a reality. There is also no evidence of a strategy in place by which Pimkie can work towards the implementation of a living wage within its supply chain.

IN MORE DETAIL:

Has living-wage benchmarks?

No.

Worker empowerment:

Pimkie says: “This right has been communicated and is explained to our suppliers through our code of conduct, which each supplier should know, understand and accept ... The completion of social audits is also an opportunity to remind suppliers of our expectations in terms of compliance with social legislation.”

Commitment and practices:

There was little mention by way of practical activity on promoting either freedom of association or benchmarking of wage improvements for workers.

Pimkie relies on its code of conduct as a contractual agreement with its factories, using third-party auditors to both assess and train its suppliers in the implementation of these rights. While Pimkie states its “sourcing policy favours long-term relationships with [our] suppliers” in order to “ensure a process of ongoing social progress”, there is no criteria by which this progress can be measured.

No work on purchasing practices was submitted.

Collaborative approach:

Pimkie cites its membership of the Initiative Clause Sociale (ICS), a French business-led initiative whose main objective has been to encourage suppliers to comply with universal human-rights principles and local labour regulations in its supply chain. The ICS shares audit results with its members but makes no requirement for members to engage in change.

Pimkie also indicated that it will start a pilot project on the issue of wages in Morocco with the organisation Yamana in early 2014.

Strategy:

Pimkie has not yet developed any strategy for implementing the living wage in its supply chain.

Production overview:

Number of suppliers: Pimkie has more than 161 suppliers within its supply chain.

Main production countries listed as: China (37%), Turkey (16%), Morocco (13%), Tunisia (13%), India (12%), Bangladesh (5%), Other Countries (4%)

Pimkie does not publish a full public list of the names and addresses of its supplier factories, but says it is willing to make the list accessible to NGOs such as the Clean Clothes Campaign and local organisations.

COMMENTS:

With more than 750 shops, 6,000 employees and a turnover in excess of €560million, it is astonishing that such a large retailer has operated up to now with so little oversight of its own supply chain. An over-dependence on third parties, such as auditors, to assess issues of significant importance including living wages and freedom of association – and the lack of any benchmarking scheme to track, reward or collaborate on the implementation of these rights – are just a few examples.

Pimkie needs to move beyond pointing to its code of conduct and take action to implement some of these rights.

Pimkie has told us that it recognises it has been late to adopt credible CSR policies vis-à-vis its supply chain. It has indicated to us in meetings that a new supply-chain policy was launched in 2013, which includes important details on the auditing of its entire supply chain. The first part of this programme has already been implemented and more financial means have been dedicated to monitoring Pimkie’s supply chain. The company has set priorities for 2014 relating to monitoring and “rationalizing” its supply chain, and engaging in pilot projects based on productivity issues. We acknowledge Pimkie’s efforts to engage with us on this. This plan is a step forward.

However, Pimkie and its shareholders, who are linked to one of the wealthiest people in France, should know that they are starting from a point that is not acceptable for such a group. Now that Pimkie has accepted the principle of a living wage, it must develop a serious policy based on improving purchasing practices to deliver on this vital right for the workers who make its clothes.