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When COVID-19 hit in 2020, many garment brands cancelled orders or refused to pay in full. Factory owners were therefore unable to pay workers their full wages during lockdowns and sick leave and millions of garment workers were paid less than their already poverty-level wages. Many who lost their jobs were left without the money owed to them, including bonuses and severance pay that they were legally entitled to.



CLEAN CLOTHES CAMPAIGN ESTIMATES THAT:

For the first three months of the pandemic alone, garment workers are owed between US\$3.19 and \$5.78 billion⁸ in wages (also known as the wage gap). We estimate that garment workers worldwide are owed a massive \$11.85 billion⁹ for the period March 2020-March 2021.

Wage gap estimates for March-May 2020



IN BANGLADESH: US \$501 million



IN INDONESIA:
US \$405.36 million



IN CAMBODIA:
US \$123.59 million



IN SRI LANKA: US \$24.05 million



N INDIA: US \$259.72 million

^{9. &}lt;u>Un(der)paid in the pandemic</u> research report by Clean Clothes Campaign (August 2020)

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In terms of severance theft, Worker Rights
Consortium estimates that total severance
theft across the supply chains of global
brands and retailers is between \$500
to \$850 million for the first year of the
pandemic alone¹⁰.

The behaviour of brands and their business decisions plays a central role in creating this devastating situation for garment workers.

A survey in March 2020 among Bangladeshi factory owners showed that **98.1% of brands** refused to contribute to the cost of paying partial wages¹¹ (as required by law) to furloughed workers, and 97.3% of brands refused to contribute to the severance pay expenses of dismissed workers. Many brands have returned to making large profits, while garment workers are still in desperate situations, owed wages, bonuses or severance pay.

\$500-\$850 **MILLION**

TOTAL SEVERANCE THEFT FOR THE FIRST YEAR OF THE PANDEMIC ALONE



97.3% OF BRANDS

REFUSED TO CONTRIBUTE TO THE SEVERENCE PAY EXPENSES OF DISMISSED WORKERS

