

Written evidence submitted by Dr Alexander Trautrim, University of Nottingham Rights Lab

Introduction

The Rights Lab is a University Beacon of Excellence at the University of Nottingham. It brings together more than 100 researchers from all faculties of the University to focus on the eradication of global slavery to support the United Nations' sustainable development goal of complete abolition by 2030. It is home to the world's leading experts in contemporary slavery, and brings together different disciplines and cutting-edge research tools and methods across the university to create solutions for the eradication of modern slavery and related issues.

Author:

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I am responding to the following questions:

- How has the domestic clothing manufacturing industry changed over time? How is it set to develop in the future?
- How are Government and trade envoys ensuring they meet their commitments under SDG 8 to "protect workers' rights" and "ensure safe working environments" within the garment manufacturing industry? What more could they do? Are there any industry standards or certifications in place to guarantee sustainable manufacturing of clothing to consumers?

Response to: How has the domestic clothing manufacturing industry changed over time? How is it set to develop in the future?

Workers in global fashion supply chains have historically been vulnerable due to the easiness of moving production and the readily available supply of workers. Bargaining power tends to lie with retailers and larger brand producers from fashion-consuming countries. Despite the bargaining power mainly being with the customer, it is not necessarily an easy task to improve conditions along the supply chain as the market is fragmented into many buyers and many producers.

The commercial logic in fashion supply chains leads to patterns of exploitation and the ill-treatment of workers. Protection of workers' rights or their increase is predominantly marketing and scandal-driven and not intrinsic in the business model. Very few fashion labels and retailers are able to fully control their supply chain and only a small niche operates their own production and raw materials sourcing. The predominant business model is characterised by outsourcing of individual supply chain tiers with relatively short transactional relationships. Due to these supply chain arrangements and the ability to judge product quality after the completion of a produced fashion item, processes do not stretch along the entire supply chain and there has not been a need from a manufacturing perspective to implement supply chain control measures that one would expect in products such as food or technology.

The poor working conditions in textile manufacturing in developing countries have received some attention and improvement, however the supply chain continues further, to the raw material stage of, for example cotton production.

Concern must be raised that after years of promoting 'reshoring' of textile manufacturing to the UK, poor labour practices appear to have been re-established in the UK too as recently reported by the Financial Times. The current soft and educational law enforcement approach towards modern slavery in UK supply chains shows clear limitations in textile manufacturing where engagement is concentrated at the retail and brand level, but not necessarily at design or manufacturing. The industry's supply chain approach of separation between the individual tiers of the supply chain with often contact by contract transactional relationships and cost pressures, results in strong competitive pressures with the effect of increasing exploitation risks.

It seems unlikely that the industry approach of transactional relationships will change to more stable and permanent relationships without a major shift in the underlying supply chain management approach. Although one can observe that buyers start to look for value rather than lowest cost -which leads to a willingness to pay for enhanced manufacturing ability (for example shorter lead times, more responsive production and reduced overproduction) - no fundamental shift can be observed yet. It is also worth highlighting that brands are effectively facing a 'joint responsibility' for their supply chains as consumers, investors and other stakeholders may hold them accountable for scandals in their supply chains. However, this does not apply to many industry actors and a fundamental shift of the industry's supply chain management approach can only be achieved through a direct or indirect legal joint responsibility for labour exploitation in supply chains as it is for example the case in Brazilian law.

Response to: How are Government and trade envoys ensuring they meet their commitments under SDG 8 to "protect workers' rights" and "ensure safe working environments" within the garment manufacturing industry? What more could they do? Are there any industry standards or certifications in place to guarantee sustainable manufacturing of clothing to consumers?

Country of origin rules may mislead corporate risk management approaches and consumers in their risk perception as many production steps and raw material production can be undertaken in high exploitation risk countries and only the final and highest value-adding step causing the 'Made in' label from a low risk country to be applied to the product.

It is clear that the UK's ability to promote good labour conditions (as part of the human rights and trade agenda) will be strongly reduced if discontinued to be combined with EU trade policy and regulation. The UK's leadership on challenging modern slavery is mainly effective because overseas companies perceive it to be adopted by –depending on the legal context- either the EU or other European countries in the near future, which leverages the effect of UK leadership drastically.

The perception that human rights are a non-tariff trade barrier is widespread in the export oriented business communities of developing countries. Newly arranging these trade relationships under pressure to achieve trade relationships with developing countries after the potential exit from the EU will very likely lead to a weakening of the ability and leverage to promote human rights through trade.

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