

To the Honourable members Minimum Wages Committee for the Employment of Textile Mills Tamil Nadu

Sub: Support for the committee's task to set a minimum wage in line with market price

We recognize the long history of the textile industry in Southern India, its importance to the local and national economy, its global reach and its role as an employer of crores of workers. As global retailers and buyers who have long sourced from the region, we welcome the reconstitution of the Minimum Wages Committee for the textile mills by the Government of Tamil Nadu and congratulate you on your appointment as members of the Committee.

As stated, we recognize the important position of Tamil Nadu in global garment and textile value chains and clearly see an opportunity for the region to continue to strengthen its position. The establishment of a minimum wage that reflects the potential of the industry, the local conditions and is in line with international standards and guidance established by the International Labour Organization (ILO) on wage setting, will help continue to position Tamil Nadu as a responsible sourcing destination.

With that in mind, we respectfully recommend that your evaluation process for determining the minimum wage for textile workers aligns with international labour standards set by the ILO, by taking into account the needs of workers and their families; the general level of wages in India, the cost of living and inflation; social security benefits; the relative living standards of other social groups and economic factors, including the requirements of economic development, levels of productivity and the desirability of attaining and maintaining a high level of employment. We acknowledge that the agreed wage levels will be reflected in the costs and will be accommodated in the value of production from the region. The minimum wage applies to the entire textile and garment supply chain in Tamil Nadu, including spinning mills.

The Agreement on Sustainable Garments & Textile (AGT), an international multi-stakeholder organisations representing Dutch companies, trade unions and civil society, and the undersigned buyers fully support the committee's important role in meeting the expectations of all concerned. This process is an important step for sustaining trade with Tamil Nadu in light of increasing investor and regulatory demands on the conditions of work in global supply chains. As company members of the AGT we acknowledge our responsibilities since member brands of the AGT are committed to take steps towards a living wage in their supply chains.

Such an approach will pave the way for both workers and the industry as a whole to benefit from the crucial place the Tamil Nadu textile industry occupies in garment supply chains. A robust process will generate positive outcomes for local business reputation and present opportunities to lift workers out of poverty while significantly decreasing their vulnerability. Collectively, we believe that this will strengthen and cement Tamil Nadu as a hub for responsible business conduct in the international trade arena. By signing this letter company brands of the AGT show their commitment on working towards a living wage, and do not withdraw when wages increase.

Yours sincerely,

Pierre Hupperts
Chairman of the Agreement on Sustainable Garments & Textile

Companies and organisations:



