

Worksheet 9 – Supply chains

Your jeans have already had quite a journey before you buy and put them on. Use this handout to explore the production of a pair of jeans. What is more important: low cost for the consumer, or fair working conditions for factory workers?

The journey of a pair of jeans

The jeans are designed by a fashion house in the UK
The cotton is cultivated in India and sent to China
The thread is spun in China using Swiss machinery
The thread is dyed indigo in the Phillipines
The materials is woven in Poland
The labels are made in Portugal and the buttons in France
The material and other parts are sewn together in the Phillipines
The jeans are sent to the wholesaler in the UK and sold there
You take the jeans wherever you go
The jeans are reused in Ghana as second-hand clothes are sent from Europe⁶

Role play cards – Who gets what from your pair of jeans?

Divide your class into five different groups and give each group one of the role play cards below. Have them discuss the type of work they do, how much work they put into a pair of jeans, etc. Give each group 5-10 minutes to decide what share of the profit their group should get for the amount of work they do. For this exercise let's say a pair of jeans costs £30.

Have each group state how much they should get – does the total come to more than £30? If so, ask the groups to negotiate – who should get more or less. And why? Allow 10 minutes for this and then provide them with the real answers:

Factory worker: 30p (1%)

Retailer: £15 (50%)

Brand: £7.50 (25%)

Factory owner: £3.90 (13%)

Importer: £3.30 (11%)

⁶ Source: Labour behind the label

Worksheet 9 – Supply chains (cont.)

Factory worker

You live in China. You are 23 years' old and you've worked since you were 14 years' old. You work around 12 hours a day but you only get paid for 8 hours. You work all these hours for a wage below the legal minimum so you can provide for your family. From this money, you have to pay the rent for one room where you live with your family. In your region there is no other work and each day new people arrive looking for work.

Factory owner

You employ people from the local area in China. You are the main employer in the neighbourhood, but there is competition between all the factories in the region. As your main advantage is a cheap workforce, you try everything you can to keep wages low, overtime high and workers are put on short-term contracts so that you don't have to pay them when there is no work. The government turns a blind eye because foreign investment is a main source of income.

Clothing importer

You buy jeans from the factories and import them on behalf of clothing companies in countries like the UK. You have built up links with certain factories and prefer to buy at a good price from them. You then ship the jeans to the UK, which means you have to pay taxes, duties and transport. Once in the UK, the jeans get distributed amongst the international clothing company's warehouses. The companies rarely ask from which factory the jeans have come or what the working conditions are like there. They are only interested in competitive prices and fast delivery

International clothing company/brand

Every year you try to gain a larger market share, but consumers are more and more demanding. They want to buy good quality clothes at cheaper prices. You have marketing specialists working for your brand, but the price is the factor that attracts consumers' attention. The most profitable way forward is to move production to a poorer country with fewer employment regulations, where governments are willing to give tax concessions and have fewer environmental regulations. Generally, you don't care about the working conditions in factories.

Retailer

You stock and sell jeans from different brands. The high street is competitive so you invest in a good store space and good customer service. You know consumers care about cheap prices and individuality, so you hold sales and change your stock often. Recently some consumers have been interested in where their jeans have come from, so you now also stock one line of ethically sourced jeans, but they are more expensive than most of your other brands.