



## **Gender Pay Gaps in Global Supply Chains:**

Findings from Workplaces in Bangladesh, Colombia, Morocco, Thailand and Turkey



## **A deep dive into payroll data to find the true gender pay gap.**

**With more companies seeking to foster and protect workers' rights in global supply chains, the need for accurate information on working conditions is becoming ever more important. This includes information on gender pay gaps in the factories and farms that supply supermarkets and high street shops worldwide. Yet, gender pay gaps are typically only monitored at national levels, which may be a poor predictor of what's happening in any given workplace. The Anker Research Institute's new report on gender pay gaps in global supply chains is an effort to start addressing this information gap.**

### **About the research.**

The Anker Research Institute carried out studies in five countries (Bangladesh, Colombia, Morocco, Thailand, and Turkey) to test its new methodology for measuring the size and determinants of gender pay gaps at workplaces in global supply chains.

These studies involved independent analysis of payroll data for over 15,000 women and men working at 12 factories, farms, and packhouses in the garment and agri-food sectors, as well as over 350 interviews with workers, managers, and stakeholder organizations. The studies were sponsored by companies sourcing from these workplaces, and non-profit and UN organizations.

"Being part of the Anker Research Institute's research on Gender Pay Gaps was pivotal to our Gender and Living Wage Strategies. The

detailed results provide a clear understanding of the variables we must prioritize as we move our work forward. This is the kind of thoughtful, innovative research needed in our industry.”

Wendy Savage, Patagonia’s Senior Director, Social Impact & Transparency

“At Primark, we’ve committed to strengthening the position of women in our supply chain through skills development and addressing their barriers to progression by 2030. There is no doubt that tackling gender inequality in our supply chain requires collaboration and deeper engagement among both women and men. But we need to understand more about the local challenges to help the industry drive improvements. That’s why we were delighted to support the project. This in-depth research is an important step to help us understand more about wages in our supply chain. As a direct result, we intend to apply a gender lens to our work on Living Wage and we hope this research will encourage others to do so too.”

Frances Goodwin, Living Wage Lead, Primark

“Praise for this impressive work by the Anker Research Institute. Fairtrade International is pleased that the research it instigated led to pilots in various industries with support from various partners. I sincerely hope that companies that want to ensure that women in their own operations or supply chains receive fair and equitable remuneration will follow the recommendations in this report.”

Wilbert Flinterman, Senior Advisor Workers’ Rights and Trade Union Relations, Fairtrade International

### **Headline findings.**

There is considerable diversity in the size of gender pay gaps across the 12 workplaces.<sup>1</sup> For the garment factories, the study found gaps in favour of men of 22% to 30% in Bangladesh and 4% to 17% in Turkey, but small gender pay gaps in favour of women in Thailand. In Morocco, the study showed a small gap of 5% for a farm producing fresh produce but a much larger gap of 15% for a packhouse that it supplied. Meanwhile, two banana farms in Colombia both had gaps of around 10% despite the unionized farm having markedly

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<sup>1</sup> The figures cited are for the gender pay gap in the average base wage for standard working hours excluding overtime pay and cash allowances and bonuses. The gender pay gap is the difference between average wages for women and average wages for men, expressed as a percentage of the average wage for men.

higher wage levels than the non-unionized farm. Importantly, the gender pay gap at national level is a poor predictor of gender pay gaps at individual workplaces.

There is also variation in the causes of the gender pay gap at each workplace. A common factor is occupational gender segregation and a tendency for jobs that are mostly done by men to pay more than jobs that are mostly done by women. Other direct determinants are gender differences in contract types, forms of pay, access to additional wage payments, and amount of time worked. The underlying causes include: discriminatory norms and gender stereotypes; informality in employment practices; lack of a structured approach to equal opportunities; weaknesses in worker representation and grievance mechanisms; and supply chain dynamics.

Based on these findings, the report makes a series of recommendations for employers, workers, and other actors associated with global supply chains to reduce and eventually eliminate gender pay gaps, where they exist.

**To launch this report, we will be hosting a side session at the OECD Forum on Due Diligence in the Garment and Footwear Sector that will take place on Friday, 23 February at 13.00 – 14.30 CET**



**Scan to register for the event**

#### **About Anker Research Institute.**

The Anker Research Institute is a non-profit organization founded and led by Richard Anker and Martha Anker with the support of the Global Living Wage Coalition (GLWC), of which it is a founding partner. The Institute includes a global network of researchers and research institutions around the world, with the goal of generating knowledge to improve the living standards of working people and their families to a decent level throughout global supply chains.

The Institute produces living wage and income benchmarks all around the world, as well as over 100 Anker reference values and subnational living wage and income estimates in a growing number of countries. The Institute also

produces high quality living wage and living income-related research on topics such as gender, migration, and prevailing wages.

More information can be found here: <https://www.ankerresearchinstitute.org/>

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**About Patagonia.**

We're in business to save our home planet. Founded by Yvon Chouinard in 1973, Patagonia is an outdoor apparel company based in Ventura, California. As a certified B Corporation and a founding member of 1% for the Planet, the company is recognized internationally for its product quality and environmental activism. Its unique ownership structure reflects that Earth is its only shareholder: Profits not reinvested back into the business are paid as dividends to protect the planet.

Patagonia believes that every worker has the right to a living wage and supports the Global Living Wage Coalition's definition of the living wage. Patagonia's first step towards living wages was through Fair Trade – Patagonia pays a premium for every product made in a Fair Trade certified factory, and has sent over \$30 million directly to workers in its supply chain since 2014. Patagonia has also been a corporate sponsor of the Anker Research Institute since its founding.

More information can be found here: <https://www.patagonia.com/our-footprint/living-wage.html>.

**About Primark.**

Primark is an international fashion retailer employing more than 75,000 colleagues across 16 countries in Europe and the US. Primark is working to make more sustainable fashion affordable for everyone through its Primark Cares strategy, a multi-year programme that focuses on giving clothing a

longer life; protecting life on the planet and supporting the livelihoods of the people who make Primark clothes. As part of this, Primark unveiled nine commitments it is working to achieve by 2030. These commitments include by 2030: making all of its clothes from recycled or more sustainably sourced materials by 2030, halving carbon emissions across its value chain and pursuing a living wage for workers in its supply chain. Funding living wage benchmarks is key to support our work on measuring the gap to a living wage in our supply chain.

We continue to support the Global Living Wage Coalition's (GLWC) definition of the living wage. The GLWC uses the Anker methodology when setting its benchmarks, which is a salary based on a normal working week, without any overtime, that pays a decent standard of living for a worker and their family. Primark is now a corporate sponsor of the Anker Research Institute.

More information can be found here: [www.primark.com/en-gb/primark-cares](http://www.primark.com/en-gb/primark-cares).

#### **About Fairtrade International.**

Fairtrade is an independent non-profit organization representing more than two million farmers and workers worldwide. It owns the FAIRTRADE Mark, a registered trademark appearing on more than 30,000 products, which is the most recognized and trusted sustainability label in the world. Fairtrade is one of the leading members of the Global Living Wage Coalition. Fairtrade International and its member organizations collaborate with businesses, engage shoppers, activate civil society, and enable producers to take control in order to bring about a fair, sustainable future – a future rooted in social justice.