

## **Response to JAAF's comments on CCC's Still Un(der)paid report**

In July 2021 we launched a follow-up report to our August 2020 Un(der)paid in the pandemic report in which we estimated wage gaps during the pandemic for 7 Asian garment producing countries, for the period March 2020-March 2021 and March 2020-May 2020 respectively.

This extensive report has been based on comprehensive desk research and works with numbers that are available in online sources. In an opaque and complex industry like the garment industry, with various definitions of who is a garment worker, as well as a prevalence of unregistered work, we often had to choose between competing numbers from different sources. We believe we have made a genuine effort to come with credible numbers and estimations for a great many countries based on many sources. We explain this clearly in the report's methodology.

JAAF acknowledges that we have been transparent about the assumptions we made to get to the calculations presented in our research. Unfortunately, garment supply chains lack transparency and for this reason we often have had to rely on estimations.

We always checked the websites of Ministries of Labour and the ILO for the latest statistics on garment industry workforce numbers. In the case of Sri Lanka, no recent data was available, hence why we relied on media statements from the apparel association and trade unions. The number of workers in the Sri Lanka apparel industry that we used, and which JAAF challenges, is an estimate based on the wide range of estimates available. For example, JAAF's own Sri Lanka Apparel website in an article from October 2020 says that the industry employs nearly 350,000 people directly and twice as many indirectly; while an April 2020 JAAF chairman statement said there were "over 400,000 direct employees," and another leadership statement on the same website mentioned an apparel workforce of over 560,000. A 2017 report by the Sri Lankan Export Development Board (EDB) estimated the direct employment in the garment industry to be between 300,000 and 600,000. Similarly an April 2021 academic article by B.G.H. Kavindi et al. in the *International Journal of Business, Economics and Law* on the Covid impact on the Sri Lankan apparel industry mentioned 300,000 direct and 600,000 indirect employment opportunities. Considering that the impact of pandemic-era policies and business decisions reach far beyond direct, official, and registered employment, we believe our estimate of 500,000 workers as the basis of our calculations is not unreasonable.

In other places where JAAF challenges our numbers, the organization fails to provide alternative numbers. We understand that Sri Lankan industry employers would prefer estimates of job loss and wage loss to be lower, but for now, we believe our numbers are reasonable estimates. We would be glad to take the opportunity to work with JAAF and independent labour economists to access all available sources of information and determine the most accurate information possible for Sri Lanka, and discuss how we can ensure that the wage and job loss are properly compensated.