

Bertelli (Prada)

"The minimum wage is an act of civility."

by Giovanni Pous

An interview with the *patron* of the Prada Group.

Bertelli "An act of civility to protect labor. It will help young people and women."

MILAN - The political clash over the minimum wage remains contentious, but prominent business leaders like Patrizio Bertelli, who heads the Prada Group, feel there is little doubt that it should be introduced. Even though it may lead to higher costs for businesses, and thus also higher prices for consumers.

Mr Bertelli, there's a serious ongoing debate between the majority and the opposition regarding the introduction of a minimum gross hourly wage of 9 euros in all labor contracts. What are your thoughts on this?

"I consider the introduction of a minimum wage above all as an act of civility. No less than four articles of the Constitution - 1, 4, 35, and 37 – emphasize our Republic's commitment to safeguarding labor in all its forms. Italy is the eighth economic power in the world, but in Europe it is one of five nations, along with Austria, Denmark, Finland, and Sweden, not to provide a minimum wage limit. It seems to me that the time has come to close this gap".

Some trade unionists are worried that a minimum wage might prompt unscrupulous employers to lower wages for contracts currently above 9 euros. Is this a fair concern?

"I really don't think that businesses would behave this way. National industry contracts already provide for wages above 9 euros, and there they will stay. If anything, a legislated minimum wage would help bring order to the jungle of existing contract types, of which there are more than a thousand on file, which allow employers to offer labor contracts with hourly wages below 9 euros which, according to Istat, represent 18.2 percent of the total workforce, affecting 3 million workers".

Could the introduction of a minimum wage also help to improve contracts classified as "non-standard", i.e. that lack one or more elements of traditional labor contracts?

"Yes, indeed. 'Non-standard' forms of work particularly impact vulnerable groups, both in terms of the continuity of contracts and the intensity of work demanded by them. Overall, there are nearly 5 million workers considered 'non-standard', which is to say, without traditional contracts."

And they're primarily young people...

"Those who find themselves in this situation are largely under 34 and women".

What is the current situation of the labor market in the fashion industry?

"The fashion business requires a very high level of professional excellence, and that means significant investments by companies in human resources. We are committed to training new artisans through the Prada Group Academy. Last March we announced a hiring plan for 400 people by the end of the year, of whom 200 will have trained at the Academy. Companies like ours have a duty to preserve artisanal know-how".

You recently reached an agreement with the union on performance bonuses and corporate welfare. What benefits does this bring to the company?

"The agreement with the union organizations is a significant signal for our group. It's crucial to place our employees and their families at the center of our activities, nurturing a new generation of skilled workers who feel a strong sense of belonging to the Prada Group."

Some entrepreneurs in the North argue that wage increases should be exempt from contributions, allowing workers to keep more money and reducing the tax burden.

"Wage levels have been a very sensitive issue in Italy for some time now. All the more so today, given the high inflation rates. I believe that all measures aimed at increasing wages should be considered. Public and private, each with their own tools and within their own limits, should collaborate on this to prevent social discontent and to create conditions conducive to growth significant economic growth in the coming years."

Prada's numbers for the past six months show clear improvement. What factors contributed to this performance?

"Our Prada and MiuMiu brands, and the group as a whole, have been experiencing double-digit growth, with retail sales retail up by 21 percent year-on-year. Both Prada and Miu Miu show great growth potential, and we have a well-balanced global presence. Our strategy is clear, and our organization is strong and well-equipped to execute it. But we should be mindful that our industry has undergone a period of rapid growth and we are certainly going to see a gradual normalization".

How has the new governance been with the arrival of AD Andrea Guerra?

"We are very pleased by Andrea Guerra's arrival and happy that he accepted this position to facilitate the generational transition to Lorenzo. Our governance is clear, and the organization can only benefit from this reinforced structure."

The creative pairing Miuccia Prada - Raf Simons seems to be working well. What are the advantages and disadvantages?

"I don't see any disadvantages in this regard. Miuccia Prada and Raf Simons work very well together, and the results of the Prada brand are proof of the success of their collaboration".

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(photo caption)

In favor of a minimum wage

Patrizio Bertelli, president of the Prada Group, husband of designer Miuccia Prada.