



# Clean Clothes

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December 2005**

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## Editorial

This year many national CCC coalitions mark their tenth anniversary. The Dutch CCC and the International Secretariat will even be celebrating fifteen years of existence.

In 1989 a lockout at a clothing factory in the Philippines became the focus of attention for a number of groups active in the solidarity movement in the Netherlands and the UK. The women workers at a C&A subcontractor demanded their legal minimum wage, and were fired for it. They started a picket that lasted over a year. Back then, it was considered news that companies like C&A produced in faraway countries under bad conditions, that there were women involved, and especially that some people believed that a retailer who sold their products had a responsibility to help solve the dispute. After all, what did C&A have to do with what was happening in the Philippines? Not their company, not their employees, not their business. After a public burning of clothes in front of C&A's main store in Amsterdam, C&A took some steps. The workers got some back-pay as a result of continued pressure but the main demand, re-opening of the plant, was not met.

Campaigning for "clean clothes" provided a concrete way of taking up the demands of grassroots women's and worker organisations and so the Dutch activist coalition involved in this case decided to continue to take action. The Dutch Clean Clothes Campaign was officially founded in 1990.

Later, the Dutch coalition decided to "go European", to gather support for their demands. They started in 1995 with workshops

*One of the first CCC actions, in front of a C&A store in Amsterdam, March 1991.*



The Clean Clothes Campaign (CCC) aims to improve working conditions in the garment industry worldwide and empower (women) garment workers. The CCC is made up of coalitions of consumer organisations, trade unions, researchers, solidarity groups, world shops, and other organisations. The CCC informs consumers about the conditions in which their garments and sports shoes are produced, pressures brands and retailers to take responsibility for these conditions, and demands that companies accept and implement a good code of labour standards that includes monitoring and independent verification

and joint actions in the UK, Germany, France, and Belgium, and meetings and research were organised in eight Asian countries.

The CCC now consists of coalitions in Austria, Belgium, France, Germany, the Netherlands, Spain, Sweden, Switzerland and the UK. We collaborate closely with organisations in many more European countries, as well as with similar campaigns and initiatives worldwide. We cooperate with partner organisations in Asian, Eastern European, African and Latin American countries where garments are produced.

After ten to fifteen years we are by no means there yet, but some results speak for themselves. Many companies now take responsibility for the workers in their supply chain, and cases of rights' violations are won, at least on a case-by-case basis (see [www.cleanclothes.org/appeals-archive.htm](http://www.cleanclothes.org/appeals-archive.htm)). This issue of the newsletter brings you more news on current calls for action from workers. Also, companies' purchasing practices, and how they can undermine compliance with codes of conduct, are analysed. The workings of a national coalition (Austria) are described, and we report on new campaign activities in Europe. From South-East Europe comes a story of a new exhibition being used to raise awareness of consumers, as these producer countries become increasingly important consumer markets. Based on information collected during a CCC staff visit to Tunisia, a profile of this significant exporting country to Europe is presented. We also update you on the sportswear campaign, one of the biggest examples of joint garment worker-activists international solidarity campaigning to date.

The CCC thanks everyone who has supported and participated in the campaign over the years. These anniversaries are above all a celebration of those (women) workers all over the world who have been, and continue to be, heroic enough to stand up for their rights despite the harsh, insecure and unfair situation they are in. The CCC is honoured to work together with, and to be inspired by, such brave people and will continue to fight for their cause. We hope we can keep counting on you too.



*We encourage readers to share, reprint or distribute any information found within this newsletter. A digital version can be found at [www.cleanclothes.org/news.htm](http://www.cleanclothes.org/news.htm)*

of code compliance. The Clean Clothes Campaign cooperates with organisations all over the world, especially self-organised groups of garment workers (including workers in factories of all sizes, homeworkers, and migrant workers without valid working papers).



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# News from the CCCs

## CCC Lottery Tickets – Prizes to Be Won!

Scratch-and-win lottery tickets are the latest campaigning idea from the Dutch Clean Clothes Campaign, intended as a means of highlighting the low wages workers in the industry are paid. The prizes are real. Out of 40,000 lottery tickets, a lucky winner can win the monthly salary of a garment worker, while others have the possibility of winning a garment workers' daily salary.

As people scratch away the grey boxes it is revealed that a garment workers' average monthly salary is €60 and average daily salary is just €2.50; clearly very low and not something that would make anyone very happy. A small brochure on the living wage is distributed with the tickets. For more information on living wages, please see the FAQ on page 7.

The lottery campaign was launched at a "scratch-and-win show" in mid-October in Batavia-city, one of the Netherlands' new outlet centres. After a showbiz-like introduction on shopping and labour conditions, a ringing phone was answered by the CCC quizmaster and handed over to a random passer-by. The passer-by was asked three questions on labour conditions and wages. The prize was a daily salary. Surprisingly, no one refused to answer the phone, but knowledge of labour conditions proved to be very limited.

People have been very eager to participate. CCC campaigning materials have never before been distributed so fast, with many people realising the aim of the campaign only after scratching-and-losing.



*This public awareness raising initiative is ongoing. For more information see [www.schonekleren.nl](http://www.schonekleren.nl)*

## Worker Tour in Germany Highlights Tchibo Practices

Bangladeshi garment worker Rina Begum, supported by Shahida Sarker from the Bangladeshi National Garments Worker Federation (NGWF), visited eleven German cities and Vienna in October 2005 to inform the public about the violations of workers' rights at Basic Apparels and other factories in their country.

The women drew big crowds to their public speaking events, which highlighted the bad working conditions at Tchibo suppliers in Bangladesh. Before the workers' tour began, three million people watched a programme featuring an interview with Rina on German television about the working conditions in Bangladesh.

The women were invited to Germany and Austria by member organisations of the German CCC, which started a campaign to pressure Tchibo a year ago. Rina Begum had worked at German-owned Basic Apparels in Dhaka for six years until she was dismissed in 2004. The factory supplies Tchibo, a big retailer not only in Germany, but also in Austria, Switzerland and other European countries. The factory also supplied Aldi and Lidl.

Wages were comparatively better at Basic Apparels than other factories Rina had worked in, but other conditions were not so good. Workers were set targets that meant they had to work until 10 p.m., but only paid three hours overtime. When Rina had to work the night shift she had to sleep on the floor when the shift finished at 3 a.m. Workers received no medical leave.

Rina lost her job at the factory when, along with fellow workers,



*Scratch and win! The Dutch CCC lotto card offers the daily, weekly or monthly wage of a garment worker as a prize.*

she protested against the reduction of the factory's yearly wage rise from 7% to 3%. As the owners did not visit the factory often, the workers marched to the owners' residence to ask why the wage rise rate had been reduced. However, local police stopped the workers halfway. Workers were beaten, and many severely injured. Sixty workers were arrested.

All were released except Rina and eight other workers, who were sent to Dhaka where they spent nine days in jail. Each worker had to pay 5,000 taka (€65) to get bail. The case is still pending in the court.

After leaving custody the nine workers including Rina were fired from their jobs together with 230 other workers (of 1,500 in total at the factory) who belonged to the union NGWF. Rina is now jobless. She has tried hard to find work since August 2004, but employers tell her that at 34 she is too old.

Attempts to get German clients, including Tchibo, to take up this case were met with no response. The NGWF formulated the following demands for Basic Apparels and Tchibo:

1. Re-employment of the 230 workers dismissed because of union affiliation.
2. Acceptance of the CCC code of conduct. As a first step: implementation of Tchibo's own code of conduct.
3. Monitoring and verification through an independent institution that includes local trade unions and NGOs.
4. No cut and run by Tchibo!
5. Acceptable delivery conditions and payment of prices that allow the suppliers to fulfil social standards.

Tchibo was invited three times to participate in events with Rina in different cities, but only participated in Hamburg. The Tchibo representative said the company would take the allegations seriously and considered them to be unacceptable if they were true. The company said it would send a delegation to Bangladesh to analyse the situation, but did not make any concrete commitments to rectify the situation.

For more information see [www.terre-des-femmes.de](http://www.terre-des-femmes.de) and [www.inkota.de](http://www.inkota.de)



Garment worker Rina Begum (left) and Shahida Sarker, of the NGWF, in Hamburg.



CCC Sweden "army" action, during the Olympic torch relay race, Stockholm July 2004.

## Creative Campaigning in Sweden

An exhibition of paintings, graffiti and original clothes replaced conventional campaigning materials to draw in the crowds at three Swedish music festivals in recent months.

Co-organiser Johanna Ritscher wanted to create a presence at the music festivals for the Swedish Clean Clothes Campaign, Rena Kläder, that she could relate to, and that would inspire other Swedish young people to get involved.

"Lots of organisations have tried to get me involved in their campaigns and activities", she said, "but their methods have always been dry; or if not dry then trying too hard to be cool".

The festival exhibitions drew attention to general issues in the garment industry and Rena Kläder campaigns. Amongst other issues, the exhibition highlighted the lack of shame the Philippine government has in publishing adverts describing how workers are not able to strike and laws are swept aside in export processing zones in order to attract foreign investment.

The festival tour follows other examples of Rena Kläder's creative campaigning. The campaign has organised alternative fashion shows across Sweden. The host of the fashion shows, rather than describing the clothes paraded along the catwalk, describes the abuses against garment workers.

A rap featured in Swedish activities in the Play Fair at the Olympics Campaign in 2004. A troop or "army" of activists ran through Stockholm clad in black, stopping traffic and passers-by to perform the rap describing poor working conditions in the garment industry and, in the final verse, what was expected of the companies and Olympic Committees. When the troop arrived at the official Olympic torch event, the speaker on stage at the time was not sure if they were part of the official programme or not, and so the troop performed the song again in front of the "official" audience.

"We live in an information society, and we need to be creative to reach people," said Ritscher. "Even though we're dealing with serious issues, we can still use humour, music and colour to reclaim the rights of workers".

For more information see [www.renaklader.org](http://www.renaklader.org)



### Stakeholder Meetings on Codes

Three national level roundtables (in Austria, France and Sweden) and two thematic workshops in the UK and Germany brought together key stake-holders as part of an EU-funded project called "Towards credible European code implementation and verification". The project aimed to widen the debate on code implementation to new people and organisations, and to improve the quality of that debate in order to understand better what is needed for codes to actually improve workers' lives.

#### National level roundtables

A roundtable on monitoring and verification took place in Lille on June 2<sup>nd</sup> 2005. This meeting was attended by around 60 people, including representatives from the EU, the Fair Wear Foundation, local governments in France adopting ethical purchasing guidelines, representatives from national retailers and other companies, CCC groups, and groups from India and Hong Kong. The presentation of a global framework agreement signed at EDF (Electricité de France) including a clause on subcontracting attracted particular interest at this roundtable.

In April, the roundtable "Social Responsibility in the Garment and Sportswear Industry: Mechanisms for Independent Monitoring", was held to present the work taking place at an international level to Austrian industry, and to debate the value of corporate social responsibility practices. The seminar was organised by the CCC Austria in cooperation with CSR-Austria, the Austrian Federal Economic Chamber, the Federation of Austrian Industry, the ministry for economy, the employee's union GPA, the metal and textile workers union GMT, the chamber of workers, the Fair Wear Foundation and Fairtrade Austria. At the end of the workshop, it was agreed that the industry federations would present the outcomes of the roundtable in their newsletters, thereby presenting them to managers in the industry.

The aim of the Swedish roundtable organised by the Swedish CCC in Stockholm, was to "break the ice" since recently stakeholder dialogue in Sweden has not been extensive. The roundtable focussed on freedom of association. Renée Andersson from the retailer Indiska stressed the structural problems regarding the attitude of most workers and management towards trade unions, stemming from both workers' lack of awareness of trade unions, and the lack of interest by management in the workforce as a source of human capacity. She therefore suggested that workers' committees were a good

starting point for dialogue between management and workers. Other participants questioned the adequacy of workers' committees since they do not have a mandate to negotiate with employers nor to make legitimate demands, and, furthermore, are undermined due to the presence of management in the committees.

Several of the companies that participated in the roundtable are relatively small and are inexperienced in working with codes of conduct, or at least in terms of effective code implementation. For them the roundtable was an important opportunity to learn more about the issues and the different stakeholder positions.

#### Thematic workshops

The CCC organised a side meeting at the ETI conference on purchasing practices in May 2005, which was attended by European CCC coordinators and other NGO participants to the ETI conference. To read more about purchasing practices, please see page 10.

In September, the CCC organised a one-day workshop on "Implementing Codes of Conduct with Emphasis on Freedom of Association (FoA) and Collective Bargaining (CB)", at the IG Metall head office in Frankfurt (Germany), bringing together participants from European companies, trade unions, NGOs and multi-stakeholder initiatives.

In her presentation, Karin Curtis of the International Labour Organisation stressed that while governments are ultimately responsible for ensuring rights, many countries lack the necessary infrastructure to do so. This is where codes are interesting, to assist in promoting these rights. Doug Miller of the international trade union federation ITGLWF pointed out that most code violations are related to FoA. He also emphasised the widespread fear of victimisation among workers, and argued that the fear suppliers had of unions needed to be removed. In the panel discussion that followed Aret van Heerden, of the Fair Labor Association, underlined that FoA is a fundamental right that potentially unlocks possibilities for ensuring other rights. As Peter Schmitt of Just Solutions argued, however, FoA is often ranked very low on compliance managers' radar screens, far behind child labour or health and safety issues. Discussing the issue of parallel means of worker organising in China, Frank Henke, global director of social and environmental affairs for adidas, stressed the importance of moving away from just monitoring standards towards more worker participation in code compliance initiatives. He also said that Chinese authorities need to be approached cautiously on this issue. Jantien Meijer of the Fair Wear Foundation (FWF) explained that while the FWF does accept companies that source in China, it requires them to initiate a training programme at their Chinese supplier leading to a workers' welfare committee with elected representatives.



*A primer on FoA prepared for this workshop is available at [www.cleanclothes.org/codes/05-foa\\_primer.htm](http://www.cleanclothes.org/codes/05-foa_primer.htm)*

# Frequently Asked Questions

## What is a living wage?

The CCC Model code provides for the payment of a "living wage". But what exactly is a living wage?

Most company codes of conduct call upon employers to pay the national or local legal minimum wage. But due to extreme inflation, currency devaluation or government unwillingness to adjust the minimum wage to the cost of living, minimum wages often badly fail to meet the most basic needs of workers and their families. A living wage means that wages and benefits paid for a standard working week must always be sufficient to meet the basic needs of the workers and their families, such as housing, clothing, food, medical expenses, education, and additionally provide some discretionary income (savings). A living wage must reflect local conditions and may therefore vary from country to country or even region to region.

Companies sometimes refuse to call for a living wage because they argue that it is impossible to establish what a local living wage is. The CCC considers this a false argument, reflecting the unwillingness of clothing retailers/manufacturers to take full responsibility for the often dire social situation of clothing workers and their families. Producing companies should make an effort to establish what a living wage is through negotiations with local trade unions and/or labour advocacy groups, academic and other experts. Retail companies have a responsibility to pay suppliers sufficiently to cover the cost of living wages, and to establish systems to ensure that increased payments to suppliers result in higher wages for workers.

Companies should:

- > Signal to supplier countries that enforcement of labour standards, including increased wages, will not lead to automatic relocation in search of cheaper labour
- > Carry out research on the value of workers' current wages
- > Consult with local trade unions, human rights and other relevant organisations and academics to determine appropriate living wages
- > Establish prices to suppliers which reflect the cost of paying living wages
- > Press for the enforcement of workers' rights to organise and bargain collectively
- > Negotiate the level of a living wage with genuine representatives of workers
- > Strengthen transparency and accountability



For more FAQs about the CCC, please visit: [www.cleanclothes.org/faq/index.htm](http://www.cleanclothes.org/faq/index.htm)





# Inside a National CCC:

## Austria

The Clean Clothes Campaign is an international campaign, consisting of a loose, informal international partner network of NGOs, unions, individuals and institutions in most countries where garments are produced, organisations in consumer countries, CCC "projects" or "project groups" in several garment producing countries (Eastern Europe, India), an international secretariat (IS, based in Amsterdam) and Clean Clothes Campaigns (CCCs) in nine European countries. These CCCs are autonomous coalitions consisting of NGOs (consumer, research, women's, fair trade and youth organisations, solidarity groups, churches, etc.) and trade unions, each with a coordinator and a secretariat. CCC coalitions can be found in Austria, Belgium (North and South), France, Germany, the Netherlands, Spain, Sweden, Switzerland and the United Kingdom.

Although the European CCCs share a common aim and cooperate on joint projects, they each have their own flavour – due to their composition, history, cultural context and style. We'd like to share with you the workings of the different campaigns. First in this new series is the Austrian CCC, the Clean Clothes-Kampagne.

*The Olympic "gods" demand fairness in a Vienna Play Fair at the Olympics action, June 2004.*



*CCK supporters sweating for justice at the Vienna 2005 Marathon.*

### Working together

The Clean Clothes-Kampagne (CCK) was launched in 1997. Among the founding members were women's organisation Frauensolidarität and development NGO Südwind Agentur.

For the last four years, Südwind Agentur has hosted the secretariat for the Austrian campaign. Stefan Kerl, the national coordinator of the CCK, is based in their Vienna office. Being based within an organisation, as opposed to having an separate campaign secretariat, has benefits for the CCK. For example, CCK can rely on Südwind for technical and organisational support.

The Austrian coalition consists of 19 organisations (see box). Unions in Austria are not officially part of the campaign due to reductions in union international departments, although the trade union NGO "Weltumspannend Arbeiten" has been involved. The Play Fair at the Olympics Campaign in 2004, a collaboration between the CCC, Oxfam and Global Unions, contributed a great deal to increased cooperation and support. The Olympics Campaign was the first time the CCK worked closely together with the federation of trade unions, which resulted in a very strong and big campaign, with good media coverage. In June 2005, the CCC European Coordination Meeting – where national coordinators meet to discuss strategy and exchange information three times a year – was hosted by the Austrian union ÖGB and received considerable attention in the Austrian media.

All member organisations, together with CCK activists, are invited to monthly coalition meetings to discuss structural, strategic and international issues. Participants do not vote during meetings, but build consensus. Decisions about which international topics and activities should be taken up within Austria are taken at these meetings and are based on the connection to Austria (for instance if Austrian brands, or brands known in Austria, are involved). Other volunteers, activists and trade unions as well as interested consumers from Vienna, are invited to an action meeting that follows the coalition meeting. Twice a year the CCK has a longer meeting – the "enlarged meeting" – where there is more time available for in-depth discussion of specific topics.

### Marathons and house parties

"The CCC, together with the fair trade movement, is a pioneer in consumer campaigns. In the last year Greenpeace also took up



## The Austrian CCC coalition is made up of:

### Development NGOs

- > Südwind Agentur (hosts CCC in Austria)  
www.suedwind-agentur.at
- > HORIZONT3000 – www.horizont3000.at
- > Wiener Institut für Entwicklungsfragen und Zusammenarbeit (VIDC) – www.vidc.org
- > Koordinierungsstelle der österreichischen Bischofskonferenz für internationale Entwicklung und Mission  
www.koo.at
- > Missio Austria – www.missio.at

### Fair trade organisations

- > Arge Weltläden – www.weltlaeden.at

### Solidarity networks

- > Informationsgruppe Lateinamerika/IGLA  
igla2@compuserve.com

### Trade unions

- > Weltumspannend Arbeiten  
www.weltumspannend-arbeiten.at

### Women's organisations

- > Frauensolidarität – www.frauensolidaritaet.org
- > Katholische Frauenbewegung – www.kfb.at

### Youth organisations

- > Enchada – Katholische Jugend Österreich  
www.kath-jugend.at/enchada
- > Jugend Eine Welt – www.jugendeinewelt.at

the issue of consumer power as a tool to pressure companies and developed their web-platform www.marktcheck.at – of course in cooperation with the CCK”, said Kerl, CCK coordinator.

The CCK engages in a variety of activities to convey the message that working conditions in the production of Austrian clothes must be improved to the Austrian public. Among the most eye-catching CCK actions are those related to the Vienna City Marathon. Every year, the CCK takes the opportunity of this international sports event to raise awareness about the working conditions in the sportswear industry. In 2005, over 300 runners donned CCK outfits. Tchibo, the sponsor of the marathon, was targeted by CCK actions. CCK held a protest action at the entrance to the marathon, receiving a good response from the runners and considerable media attention, as well as two threats of lawsuits from the marathon organiser.

As the CCK has a strong base amongst young people's organisations, [street] theatre plays and parties are part of Austrian campaign work as well. The CCK holds house parties: You are invited round to a friend's house for a basic awareness-raising workshop with a couple of other people and someone

from CCK. You look at labels in clothes, the wardrobe of the host, talk about buying clothes and working conditions, play a game about the amount of travelling clothes do – and end with signing up to join the CCK of course!

### Experience

In general, considering the size and number of inhabitants, the CCK gets quite some support in Austria. It appeals to young people, and has a strong activist supporter base and growing urgent appeals system.

The CCK has considerable experience of working with the media, and generally succeeds in getting coverage. The CCK strategy is to make the media recognise and remember the campaign, for instance by regularly sending out press releases, so that in the end the media will proactively approach the CCK if they are looking for news. The CCK feels that urgent appeals, outcomes of research, and joint campaigns are good tools for getting media attention.

Measuring the impact of, and support for its work is central to the Austrian campaign. The CCK considers it important to know how many people sign petitions and support campaigns, and work hard to update their urgent appeals supporter database, address database, media database and newsletter database.

### Looking to the future

Recently, the Austrian campaign has given its urgent appeals (UA) work more structure. A national urgent appeals coordinator was hired to enable the CCK to work more effectively on gaining wider public support for workers' concerns and pressuring brands involved in UA cases to do the right thing.

Additionally, the Austrian CCC is looking to develop activities in new areas of work. For instance, they are looking into the possibilities of joining the European Clean Clothes Communities project, where local governments are pushed to purchase work wear in an ethical way (see www.cleanclothes.org/campaign/communities.htm).

The CCK also has ideas for increased cooperation within the international Clean Clothes Campaign coalition. They would like to work together more on a language basis, and exchange translations, actions and press releases. The recent Tchibo-campaign – which the CCK works on together with the German CCC, see page 4 for more information – is a good example of this effective way of campaigning.



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# Purchasing Practices Can Undermine Workers' Rights

The phrase “purchasing practices” refers to the way in which companies - such as sourcing companies, brands, retailers, and agents - buy products or services from their suppliers, such as manufacturers or agents. The purchasing practices of athletic footwear and garment brands and retailers can undermine the implementation of workers' rights and provision of decent working conditions in their supply chains. For workers' rights activists there are still many questions to be answered about the nature of these practices and ways to address them.

## An issue at many levels

As the Play Fair at the Olympics Campaign report from 2004 highlighted, pressure on suppliers to produce quickly and flexibly for lower prices and in the context of other factors easily translates into widespread and well-documented precarious employment for women workers in particular. At the other end of the supply chain, workers in the shops selling garments to consumers, also often face increasingly difficult working conditions: low wages, unstable or flexible contracts, and anti-union practices are common.

As well as considering brands and retailers in relation to purchasing practices, it is also important to consider the role that the purchasing practices of large Southern manufacturers or purchasing companies - for example, the Asian multi-national companies (MNCs) active in the garment and athletic footwear sectors - play in the structural violation of labour rights. Whilst buyers for brands and retailers often have more power and are capable of dictating the contract terms, the emergence of large manufacturing MNCs or buying houses means this is not automatically the case.

## Three key problems

There are a number of purchasing practices in the garment and athletic footwear industries that can undermine working conditions. At the manufacturing end of the supply chain three structural characteristics of current purchasing practices in industry have been identified as factors that influence the capacity of suppliers to comply with labour standards:

1. Unstable relationships between buyers and suppliers, for example through constant relocation and the use of on-line auctions.

2. The way that lead times (the amount of time between the placing of an order and the receipt of an order) and delivery schedules are established, for example through the use of rush orders.
3. Squeezing of profits and declining prices in the garment and athletic footwear industries for over ten years.

These practices can lead to short-term contracts, forced and/or unpaid overtime and low wages for workers. There is a risk that suppliers will simultaneously be confronted with falling prices and additional costs in order to comply with a code of conduct. For example, an increase in holiday, menstruation or pregnancy leave or payment of social security contributions will all increase costs.

## Campaigning for better purchasing practices

For the CCC, the Play Fair at the Olympics Campaign was the first public campaign in which purchasing practices emerged as an important element. It urged companies to “...change their purchasing practices so that they do not lead to workers' exploitation, with prices being made fair, deadlines realistic, and labour standards given the same status as price, time and quality”.

Asics, Fila, Lotto, Kappa and Mizuno failed to respond to these campaign recommendations. Umbro and Puma gave similar replies: That there is no real issue around purchasing practices since Umbro and Puma both plan a significant proportion of their products a year in advance. Puma did concede to consider developing standards related to ethical purchasing practices. A survey of Puma's suppliers indicated that 42% responded *no* to the question of whether there is a conflict between Puma's code and buyer's requirements, while 9% responded *yes* and 49% *sometimes*.

## Starting with the workers

There are few tools available to verify whether company statements on this issue make an sense, and few studies to fall back on - indeed much of this information is a closely guarded corporate secret. Suppliers may also be afraid to speak out against their buyers for fear of losing their contracts. Buyer-supplier relationships in garment and sportswear supply chains are very complicated, and involve management problems that



are very different from the issues usually addressed in campaigns. Increased transparency and a definition of fair purchasing practices may help improve the situation, although this approach must be followed with caution. Poor purchasing practices are often the result of too little power in the hands of suppliers, and sitting in the management chair and defining fair purchasing practices may have the undesired result of putting more power in the hands of buyers to pressure suppliers.

Changes to business relationships will not automatically lead to improved conditions for workers. Whilst fair purchasing practices are an essential part of any code implementation programme, they only create the circumstances under which labour practices may improve. Increased prices are just as likely to profit the factory management/owners. Likewise, longer delivery times do not necessarily lead to a shorter workday because factory management may simply accept orders from other customers instead. This does not mean that buyers do not have responsibility for ensuring that the way they make decisions does not impact negatively on workers or the environment.

Defining *fair* purchasing practices is complex. Instead of focusing on a managerial solution, i.e. a top-down approach, it is necessary to ensure a bottom-up approach with workers defining what needs to be changed in order for conditions to improve. This, according to Monina Wong of the Hong Kong Christian Industrial Committee would mean

*spelling out principles which are radically different from those that determine present practices. Purchasing practices must be defined through mechanisms which involve the workers concerned directly.*

There are still many questions to be answered, and research to be carried out on purchasing practices, but it is clear that companies need to address the conflicting logic of demanding compliance with labour standards whilst at the same time pursuing lower prices and shorter delivery times. Purchasing practices need to be covered by a monitoring system that is able to guarantee that they are compatible with good labour conditions. Better purchasing practices will only contribute to sustainable improvements in working conditions if workers – through freedom of association and collective bargaining – are able to negotiate better wages and working conditions. ✂

*For more on this topic, see “Fair Purchasing Practices? Some Issues for Discussion” by Jeroen Merk, May 2005 available at [www.cleanclothes.org/publications/05-05-purchasing\\_practices.htm](http://www.cleanclothes.org/publications/05-05-purchasing_practices.htm)*



# Midnight Coffee with the Supervisor Putting Rights Violations on the Public Agenda in South East Europe

*The exhibitions generated quite some media attention – here in Tetovo (Macedonia).*

In February 2005, country teams (consisting of representatives from local NGOs and trade unions) from Bulgaria, Macedonia and Serbia set out to develop exhibitions to highlight the situation of garment workers in their countries, as well as the local, national, regional and the global context of labour conditions in garment production and the link between unfair trade and poverty. The idea was to create an exhibition that is suitable for use in a variety of situations in each of their countries, for example to accompany public actions, advocacy activities, educational events and workshops. The project, which had financial support from Novib, was inspired by the experience of national CCC platforms, for example in the Netherlands, Belgium, the UK and Germany, in creating exhibitions targeting consumers, authorities and the business community to communicate information and action suggestions.

## Macedonia

In Macedonia, interactive activities accompanied the exhibition of posters, photographs and comics. CCC partner organisation PPC SHTIP easily found a group of young people to work with who were eager to get involved in public action. After participating in discussions on the issues garments workers face, the young people generated ideas to get the broader public involved in the exhibition. A flip chart was put up at the exhibition so that visitors could show their support for the rights of workers with fingerprints, and postcards were printed for visitors to sign. More than 600 postcards were signed, and PPC SHTIP will send the

cards to whom the visitors addressed them – to the government, unions, labour inspectorate, employers and the mayor.

At the exhibition, one visitor said, “I have worked nine months for €50, somebody tell me how to survive on that amount!” Another visitor, addressing the President, said: “Branko, it is a shame let people work for €50 a month in this beautiful country!”

Another suggestion from the young people that was used at the exhibition was a quiz based on a real pay cheque of a seamstress. None of the visitors who tried could understand how the wage was calculated – not even a professional accountant.

More than 1,400 people saw the exhibition on central streets in Shtip, Tetovo and Delchevo (Macedonian towns with many garment factories) in October. Women passing by who saw the posters reacted spontaneously; “This is about us!” Men expressed deep concerns as husbands and fathers: They know about the extreme overtime their wives are forced to work before returning home exhausted.

## Bulgaria

In Bulgaria, the exhibition was shown in Sofia, Haskovo and Dupnitsa in September and October. It was made up of photographs (contributed by the Serbian team), children’s drawings and quotes extracted from in-depth interviews with workers from South West Bulgaria, as well as big posters about basic

labour standards. For some visitors, the quotes from the workers were familiar to stories coming from their own neighbourhoods.

Volunteer musicians produced voice and background sound material. Jeans were cut into different-sized pieces to symbolise the cost breakdown and the very small piece that goes to wages. Visitors took out their mobile phones to calculate the wage of the workers who had sewn the pair of jeans they were wearing: "Two leva (€1) – unbelievable!"

In Haskovo, at the opening of the exhibition, the public relations officer of the local garment employers' association dismissed the workers' quotes as being false as no employers "allowed women to work under such awful conditions", and argued that the association has a code of ethics and therefore all of the employers were bound to stick to ethical principles. However, the testimony of a former seamstress who spoke up during the opening supported the reality presented by the other workers in their quotes. Many journalists, including from national electronic media, attended the opening of the exhibition.

In Sofia, the Bulgarian capital, the vice president of the biggest trade union confederation, the CITUB, attended the opening event. An estimated 3,000 people visited the five-day exhibition, among them employees of an agency specialising in occupational health and safety monitoring. Afterwards the director

of this agency approached Women's Alliance for Development, the CCC partner that organised the exhibition, to seek more information regarding the appalling conditions in garment factories. The director also expressed his readiness to distribute information leaflets in the factories he inspects.

## School activities

Activities based around the exhibition were organised in schools in six towns in Serbia, Macedonia and Bulgaria, involving several hundred students aged 16 and older, including students at vocational textile schools. Through these activities it became clear that most of the young girls do not really want to work as seamstresses, but have few other opportunities to obtain a vocational qualification. Some of them said, "Now we know why we should not work in the factories." Another student said, "It is senseless to speak about the problems and it is no use, because people are afraid to seek their rights because they might risk their jobs. Never mind how small the wages are, families have to be fed." In Haskovo, a girl explained how she was employed in a garment factory during school vacations when she was below the minimum age, and was given the passport of a 23-year-old woman so she could be on the official payroll. Students in Macedonia confirmed that their peers were working in factories. In schools, some of the young people made drawings showing mothers sitting in front of sewing machines surrounded by walls and small windows as if they were in a prison.

## Need for support

It was very difficult to get representatives of the labour inspectorates to participate in the opening events for the exhibition and the public debates in any of the three countries where the exhibitions took place. Those who dared to attend behaved defensively. Many participants, including employers and other officials, agreed that the labour inspectors do not do their job well enough. In Bulgaria, it was also difficult to get even the most basic information about the results of inspections. In Macedonia, the labour inspectors said they were working very hard, but that workers would not speak up, and judges were not defending workers effectively. Lyubka, the unionist in the exhibition organising team, recalled a case when labour inspectors asked workers what they were doing in the factory at midnight. The workers stated they had come for coffee with the supervisor; they were too afraid to tell the truth – that they were working. These women need support – from trade unions and NGOs, the public and international solidarity.



*This report was contributed by Katerina Milenkova, Polina Radeva and Regina Barendt, who are active in garment workers' rights projects in the region.*

*For more on the garment industry in Bulgaria, Macedonia and Serbia, as well as Turkey, Poland, Romania and Moldova, please see "Workers' Voices – The Situation of Women in the Eastern European and Turkish Garment Industries" (details page 23). The exhibitions were based upon the research done for this report.*



*The price make up of a pair of jeans (Bulgaria).*

# Sportswear Worker Campaigns: Latest News

## 1. FILA FAILS – Still Silent on Workers' Rights in Indonesia

Pressure is growing on FILA International to end its silence regarding the fate of the 3,486 workers at PT Tae Hwa, Indonesia who lost their jobs and did not receive their legal entitlements to severance pay. Workers in Indonesia have staged a number of demonstrations and are involved in legal action. To draw attention to the issues UK activists staged a naked tennis match near Wimbledon in July, Dutch activists made a short film in support of Tae Hwa workers, that was shown in Dutch cinemas, and Oxfam supporters in Australia staged a symbolic protest at the Sydney Harbour Bridge by taping their mouths shut.

For more information see:

[www.cleanclothes.org/companies/fila05-06-27.htm](http://www.cleanclothes.org/companies/fila05-06-27.htm)

## 2. Trade Union Workshop in Hanoi

In July, the ITGLWF and the Friedrich Ebert Stiftung ran a workshop in Hanoi to move the Play Fair at the Olympics Campaign programme of work on freedom of association forward in Asia. Representatives from Oxfam and the Clean Clothes Campaign joined union delegates from Thailand, Indonesia, Vietnam, Cambodia, India, Sri Lanka, the Philippines, Malaysia and Hong Kong. Research was undertaken in advance of the workshop by NGOs in collaboration with ITGLWF affiliates to map the sportswear sectors in the respective countries. Also, in the lead up to the workshop, a joint seminar on freedom of association was held with regional and global CSR managers from Nike, Puma, adidas, Asics and Lotto. A commitment was made to hold similar events with CSR managers from the major brands and factory owners at a national level in an effort to facilitate dialogue on trade union access to workers in export processing zones and in sportswear suppliers in general.

For more information contact Doug Miller at [dmiller@itglwf.org](mailto:dmiller@itglwf.org)

## 3. Actions at World Athletic Championships in Finland

Trade unions cooperated in a number of public awareness-raising campaign activities around the Helsinki 2005 World Athletics Championships. The focus was on the responsibility for the working conditions in the sportswear industry of the organising committee, Mizuno (the official sponsor of the World Championships) and Amer Group, the world's leading sports equipment company (owner of brands Wilson, Salomon and



Atomic), which still sources products from Burma.

Finnish trade unions are campaigning to push the sportswear industry to improve the working conditions of workers producing for well-known international brands. The national campaign called "Fair Play, Equal Rules" is planned to become part of the international Play Fair at the Olympics Campaign. The Finnish campaign is coordinated by SASK, Trade Union Solidarity Centre of Finland.

For more information contact Jukka Pääkkönen at: [jukka@sask.fi](mailto:jukka@sask.fi)  
[www.sask.fi/english/index.htm](http://www.sask.fi/english/index.htm)



Finnish president Tarja Halonen takes part in the sewing competition, organised at the Maailma Kylässä ("World Visiting") festival in the centre of Helsinki, attended by over 100,000 people in May 2005.



*Australian activists protesting Fila's silence with regard to rights violations at their supplier PT Tae Hwa, Sydney July 2005.*

#### **4. Play Fair at the Olympics Campaign (PFOC): An Evaluation of Company Responses**

The CCC evaluated the responses received from the companies targeted by the PFOC.

*Overview available at:  
[www.cleanclothes.org/campaign/olympics2004-eval-company-response.htm](http://www.cleanclothes.org/campaign/olympics2004-eval-company-response.htm)*

#### **5. Evaluation of the WFSGI Response: Report Published**

During the Play Fair at the Olympics Campaign (PFOC), campaigners pushed the World Federation of the Sporting Goods Industry (WFSGI), which represents over 100 companies and trade associations in the sector, for an industry-wide response to address widespread exploitation and abuse of workers in sportswear supply chains. This report from April 2005 describes the WFSGI's approach to corporate social responsibility, summarises the recommendations made by the PFOC, and evaluates the WFSGI response to the PFOC.

*For more information see:  
[www.cleanclothes.org/campaign/olympics2004-wfsgi-resp-eva.htm](http://www.cleanclothes.org/campaign/olympics2004-wfsgi-resp-eva.htm)*

#### **6. More on the WFSGI**

Pressure has been maintained on the World Federation of the Sporting Goods Industry (WFSGI) and its newly-formed CSR committee to respond to the Play Fair at the Olympics Campaign (PFOC) "Programme of Work". Campaigners are disappointed that, despite several meetings, by June this year, the CSR committee response fails to meaningfully address the PFOC proposals made to them. The most concrete suggestions include the development of a remedial toolkit for members which will include modules or guidelines on occupational safety and health and employment rights and the compilation of a list of NGOs, institutions and organisations with whom they have had contact in the past for research, standards or training. The WFSGI CSR committee also plans to hold a series of meetings, including one for suppliers (WFSGI members and non-members) in Vietnam in early 2006 and one with the Chinese Federation of the Sporting Goods Federation and the China National Textile and Apparel Council and the International Labour Organisation (ILO).

The ILO, at the request of the WFSGI CSR committee, hosted another informal meeting between the Play Fair Alliance (PFA: Oxfam, Global Unions and the CCC) and the WFSGI CSR committee members in July. During the meeting, the WFSGI made verbal commitments to a six monthly reporting process to the PFA on the progress that they make in reaching the PFA demands. Also, they agreed to discuss joint research and education activities. Following the meeting, the PFA wrote to the WFSGI, noting that while they had hoped and expected that the WFSGI had taken more steps by this stage, the meeting provided some useful possibilities for future dialogue and joint activity. The letter also included the delegation's understanding of the key points on which agreement was reached during the meeting. The WFSGI have not sent written confirmation of the commitments made at the meeting.

The International Olympic Committee also sent a representative to the meeting, who, for the first time, offered to set up a meeting between the campaign's representatives and the IOC marketing department.

*For more information contact Ineke Zeldenrust at:  
[ineke@cleanclothes.org](mailto:ineke@cleanclothes.org)*

#### **7. Supplier Disclosure Letter Response**

In June this year, the Play Fair Alliance wrote to 13 sportswear companies, encouraging them to adopt a similar approach to Nike's in its 2004 Corporate Responsibility report by making public their list of suppliers worldwide. So far, only Reebok, Asics and Timberland have replied. Reebok noted that it has already been following this policy for some time, Timberland plans to disclose their suppliers for the first time this autumn, and Asics is considering such steps.

*For more information contact Duncan Pruett at:  
[duncan.pruett@novib.nl](mailto:duncan.pruett@novib.nl)*







# Country Profile: Tunisia

*Workers in a jeans factory in Tunisia.*

In March 2005 Clean Clothes Campaign International Secretariat staff visited Tunisia to meet with unions and other civil society organisations, share the work of the Clean Clothes Campaign and hear about the situation in the garment industry in Tunisia. As an important production country for European retailers, there is a need for stronger relationships with organisations in Tunisia.

The garment and textile industry is of major importance for Tunisia. In 2002, clothing and textile exports represented 46.8% of Tunisia's total exports of manufactured goods, being worth around €3.2 billion per year. There are 2,135 companies in Tunisia in the garment industry that employ over 10 people, making up about 80% of the total industry according to recent estimates. 1,690 companies produce for export. Nine hundred and ninety-seven companies are in mixed ownership – Tunisia and foreign, sixty-three are 100% foreign owned.

## Work wear factory case

One Tunisian factory that CCC staff were informed about, produces protective overalls for use in hospitals in France and other countries. The factory dismissed 26 of the 400 workers, of which four were trade unionists and the other 22 were supportive of the trade union. There was a short strike to get the women reinstated. The union tried to talk to the management, but the management refused to reinstate the workers. Therefore workers went on a three-day strike, supported by most of the workers. The factory does not pay social security for the workers, although it is deducted from their wages, and so workers do not get health care and retirement benefits. Workers are reportedly hit by managers. The workers do not get wage slips and are paid less than 200 dinar (€123), which is the minimum wage.

Tunisia is among the top 15 garment suppliers in the world, and has the advantage of being close to the European market. It is the fifth largest supplier to the European Union, as well as the leading trouser supplier to the EU. Other important products are work wear and lingerie. The main foreign investors in the garment industry in Tunisia are (in order of importance) France, Germany, Belgium and Italy (Just Style, 2003).

## The subcontracting industry

Most of the organisations the CCC met with felt that the industry in Tunisia was in a severe crisis, which has serious implications since the garment and textile industry employs about half of the working population. Between 2000 and 2005 the industry lost 80,000 jobs and in the last three years 600 factories closed down. The Multifiber Arrangement phase-out has so far had an enormous effect on the sector in Tunisia and most organisations are expecting the final results to be even more disastrous.

The precarious nature of the industry was emphasised by many organisations. There is no added value created in Tunisia as most of the factories subcontract from either the parent company or from other foreign clients with only the cut-make-trim part done in Tunisia. To underline this, when talking about the garment sector, all involved call it the "subcontracting industry".

Tunisia does have some advantages in the global scramble for orders in the garment sector. Short delivery times and a favourable investment climate are frequently mentioned. On the downside, unions pointed out that there are many countries that have cheaper labour costs and that there is severe competition from within the region, from Morocco for example. Trade unions and other organisations are looking at ways for the industry to survive, which could include focussing on the high end of the market – on complicated, technical products. They feel the

government should provide training to the workers to enable them to work in this high-end sector.

### **Working conditions**

Insecurity of employment is seen as one of the most severe problems in the sector in Tunisia, caused by the increasing use of temporary contracts and companies closing down. Companies are using a loophole in the law that allows them to employ workers without offering a stable contract. Increasingly workers have gone on strike to protest against not being paid for months on end. Sudden closure without paying workers' salaries and severance pay are the order of the day. Other concerns mentioned were workers not getting paid the minimum salary, workers not getting social security and sexual harassment. There are cases where women have been working for 30 years for a factory and still do not get social security, as the employer has never registered them even though contributions are deducted from workers' wages every month. The unions feel powerless seeing many companies closing and others threatening to do the same.

Because most of the workers in the garment sector are women (as in most other countries) and seeing the importance for the employment and economic situation in Tunisia, the ATDF is looking at issues that concern workers in the garment industry. One suggestion they have brought up is to start a centre, in cooperation with other NGOs, that would work with women in the subcontracting industry and in homework.

The ATDF has carried out research on sexual harassment and has started a *centre de l'ecoute*, a centre for women to come to and get help having faced sexual harassment. Sexual harassment is a large problem in Tunisia and there is a low level of understanding of the problem and how to address it. A law against sexual harassment was recently adopted but instead of drawing attention to the problem of sexual harassment the government introduced the law through a campaign against every form of "sexually provocative" behaviour (which can even include walking hand in hand).



*Workers in a jeans factory in Tunisia.*

### **ATDF – the Association of Democratic Women**

One of the organisations visited was the Association Tunisienne Des Femmes Democratres (ATDF), the association of democratic women. Through organising debates, training and campaigns they are working against all forms of discrimination against women, encouraging women to take the lead in finding solutions for their problems, and advancing the participation of women in civil and political life. They offer support to women that have been the victim of violence and discrimination.

### **Companies Sourcing in Tunisia**

- From France:** Absorba, Balmain, Cacharel, Camaieu, Celio, Chevignon, Chipie's, Lacoste, Guy Laroche, Naf Naf, Petit Bateau, Prénatal, Rodier, Yves-Saint-Laurent, 3 Suisses
- From Italy:** Benetton, Diesel, Marzotto
- From Germany:** adidas, Mustang, Speedo, Triumph
- From Belgium:** Brunotex, Sioen, Staels
- From the UK:** Lee Cooper, Next
- From the US:** Lee, Wrangler, Gap, Hanes, Levi Strauss, Reebok, Russell, Fila
- From Sweden:** H&M
- From Spain:** Inditex

*Compiled from various sources (2004, 2005).*

# Urgent Appeals

## Spectrum-Shahriyar: Six Months After the Fatal Factory Collapse

October 11<sup>th</sup> 2005 marked six months since the Spectrum Sweater factory in Bangladesh collapsed, leaving 64 workers dead, at least 74 workers wounded and hundreds jobless. To date, emergency relief measures and medical needs have largely been met. Compensation payments to the families of the dead and the injured remain an important issue. Workers are still owed overtime payments and none of the workers have received their legally-due severance pay.

More than 500 workers have received medical treatment and emergency relief payments, mainly drawn from of the €35,000 provided by the Spanish company Inditex. Inditex also donated two years wages to two severely injured workers. Several other companies indicated that they were willing to contribute financially to the emergency fund, but since most emergency issues are covered, they have been called upon to contribute instead to the compensation trust fund.

The process for dealing with compensation payments has been haphazard and workers have stated that the compensation received so far is totally insufficient to help the families of the injured and dead workers in the long term. Nearly all families of the dead workers have received Tk 79,000 (€1,000) from the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), and most families have received or applied for the additional compensation of Tk 21,000 (€266) they are legally entitled to from the Labour Court. The owners of Spectrum Sweater and adjacent Shahriyar Fabric made part of this money available. Legal action has been taken in Bangladesh on behalf of five workers to demand compensation under the Bangladesh Fatal Accident Compensation Act of 1955.

*A woman whose son was killed in the collapse of the Bangladeshi Spectrum factory.*



### Trust fund still to be hammered out

International pressure has resulted in an initial agreement among some of the parties to establish a compensation trust fund into which buyers, the factory owner and the BGMEA could contribute money. Commissioned by Inditex, the international consultancy firm KPMG has drafted a proposal regarding the appropriate amounts of compensation. An initial review of the first proposal suggested that there was scope for significant improvement to obtain a fair and decent settlement package. As this newsletter went to press a revised proposal was being developed.

While some companies, such as Inditex, have been clear about their support for a trust fund to compensate the Spectrum workers and families, there are still many companies who were confirmed to have been sourcing at Spectrum-Shahriyar but who have not yet pledged to contribute to the compensation trust fund. Pushing for these companies to make such a step continues to be an important part of CCC follow-up on this case.

### Money owed to workers

Workers are still owed wages and severance pay. In May, the National Garment Workers Federation (NGWF) in Bangladesh sent a memorandum regarding outstanding wages to the Labour Inspection Department and the Department proceeded to file a



case against the owner of Spectrum-Shahriyar. The court ordered that these workers are entitled to their back wages. Until now, none of the Spectrum-Shahriyar workers have received the severance pay they are legally-entitled to, which would be four months (plus one month for each year worked) since the date of dismissal. Since none of the workers have received an official letter from the company terminating their employment, strictly according to the law they are even due salaries (and then severance from the date of dismissal).

CCC representatives reported that upon visiting the Spectrum-Shahriyar site, new garment-producing machinery was present and the Shahriyar factory was up and running for what was referred to as "light production work" for the Belgian company Cotton Group, in addition to packing and labelling for the German company Bluhmod of sweaters produced by Spectrum before the collapse. Cotton Group did a structural audit before agreeing on the continuation of running orders but did not ask for a social audit. The company states that the payment of the

current order will be conditional to the owner paying (part of) the legal dues to the workers. The CCC representatives have raised doubts as to whether present health and safety measures are satisfactory.

There are different estimates as to the number of unemployed workers as a result of the Spectrum-Shahriyar factory collapse, and on the percentage that have found new jobs. According to the NGWF, the majority have found other forms of employment somehow, although the Bangladesh National Council of Textile Garment and Leather Workers (BNC) reports that though these workers managed to find work, it is usually temporary work and many skilled and experienced workers are doing less skilled work.

### Forums for broader industry-wide discussions?

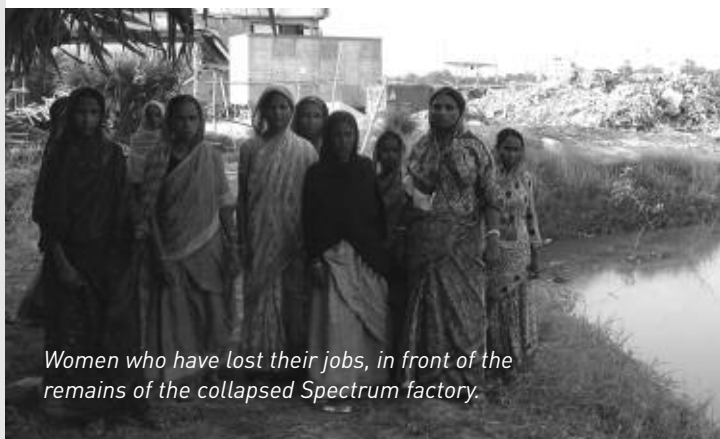
Several high-level meetings have been held involving buyers, international agencies and the Bangladeshi government. The Bangladeshi government has set up a "National Forum on Social Compliance", and within this two task forces: one for labour and one for CSR. Though this seemed a promising development, concrete plans and terms of reference for the task forces, due by late August, have not been produced. The June 27-28 MFA forum meeting in Bangladesh, hosted by the UNDP and attended by international buyers, trade unions and international organisations, provided input and suggestions towards the governance and activities of the government forum. The MFA forum continues to organise discussions with the different parties to ensure follow-up.

The Spectrum collapse is merely the latest in a series of many incidents where workers died in unsafe buildings in greater Dhaka, and workers lives continue to be at risk there. Local unions and NGOs have called for a comprehensive health and safety review and follow-up action measures since the collapse, and it is distressing that no actual progress has been made. Waiting for the government forum to make progress on its very broad mandate should not become an excuse for not taking direct and immediate action on this specific point.

Inditex disclosed its supplier list to local trade unions, and is actively exploring ways to involve them in workplace assessments and remediation work. Although KarstadtQuelle indicated that they would also provide their supplier list to the local trade unions, they have failed to follow-up on this. Several buyers have reported that they will step up their audit-activities in this area, and include structural reviews of buildings. Depending on the quality of the auditing this can certainly be an improvement, however, in the face of this tragedy it is insufficient. Collective and comprehensive action is urgently needed – there really is no viable excuse for any more delay.



*Support is needed to secure justice for the Spectrum-Shahriyar workers and families! Please see the CCC website for the latest action request in relation to the Spectrum-Shahriyar case: [www.cleanclothes.org/appeals.htm](http://www.cleanclothes.org/appeals.htm)*



*Women who have lost their jobs, in front of the remains of the collapsed Spectrum factory.*

## **Workers Reinstated at PT Sarasa Balaraja**

Following a long remediation process spearheaded by the CCC, the Campaign for Labor Rights (CLR), and the Worker Rights Consortium (WRC), hundreds of workers have been reinstated at an Indonesian garment factory that was the site of a long-running dispute and the subject of several CCC calls for action. PT Sarasa Balaraja (now PT Panca Brothers Swakarsa), a garment production facility in Balaraja (Northwest Jakarta), Indonesia was unlawfully closed in February 2004 by its parent company as a means of preventing the factory union from completing wage negotiations. Pressure on buyers and management to settle the dispute resulted in an agreement on October 2004 to re-open the factory, under new investment, and reinstate 800 unjustly dismissed workers. Several PT Sarasa clients, including Polo Ralph Lauren, The Limited and Jones New York, contacted management to during this process to push them to settle the dispute.

We are pleased to report that as of August 2005 PT Sarasa Balaraja has now fully complied with its commitment to reinstate all of the 800 previously illegally terminated employees who were interested in returning. Approximately 700 employees returned, while the other 100 either took up employment at other locations or chose to take severance pay instead. In some instances PT Sarasa Balaraja management also helped former employees find work at new factories.

The WRC reports that the factory's orders seem to be stabilising and the workers are hopeful that factory conditions will soon be stable enough for them to resume the formation of their union. As the factory's orders continue to stabilise, the CCC and allies working on this case will continue to monitor the broader, basic code compliance issues (such as occupational health and safety, wages, hours and overtime) and address any concerns that arise as needed. Thanks to all CCC supporters who took the time to send messages of concern to factory management and the brands involved in this case!



## **Two Years on PT BPG Workers Still Seeking Jobs**

In 2003-2004 the international campaign to push for the reinstatement of workers unjustly dismissed for union activities at PT Busana Prima Global (PT BPG), Indonesia, put pressure on factory management and Focus Far East – the main buying agent sourcing from the factory – to ensure that a credible and independent factory investigation took place as soon as possible. Sportswear brands Le Coq Sportif, Lotto, and Head were also targeted by CCC to take responsibility for conditions at their supplier. Following talks between the Clean Clothes Campaign, Oxfam Australia and Focus Far East (FFE), an independent investigator was selected to research conditions at the factory, starting at the end of 2004.

The independent investigator conducted interviews with workers, GSBI union representatives, management and local officials to gain a better understanding of the labour conflict that started at the PT BPG factory in 2003. On March 31, 2005, an assessment report was completed.

The investigation revealed numerous problems at the factory, including:

- > serious violations of freedom of association and the right to organise unions;
- > health and safety violations including unhygienic drinking water taken from the boiler machine and lack of medical officers qualified in health and safety in the factory;
- > unpaid and compulsory overtime on a regular basis – contrary to Indonesian law;
- > workers too intimidated to take menstrual leave;
- > workers forced to resign or quit rather than take leave for annual holidays, sickness or family reasons; and

*A PT Busana Prima Global worker wearing a Le Coq Sportif shirt, one of the brands the factory produces for.*



> though the July 2003 strike was found to be illegal, it was found to be the result of systematic (and illegal) discrimination against union members by management.

Since April 2005, Focus Far East has been negotiating with the managers of the PT BPG factory to implement all recommendations contained within the report. However, five months later, as this newsletter went to print, little progress has been made. The PT BPG factory managers seem unwilling to resolve the key and core human rights issues of freedom of association and the right to organise. The factory managers have been stalling on the reinstatement of the four dismissed union leaders and the 30 workers who are union members, all who want their jobs back.

Since the report was completed PT BPG management communicated to FFE that they would reinstate the 30 workers, however not only have they not done this, they have instead apparently had PT BPG supervisors organise workers inside the factory to sign a petition opposing the reinstatements.

In light of the investigator's findings and recommendations, as well as current developments in the case, the Clean Clothes Campaign and allies working on the PT BPG case have called upon the factory owner and management to:

- > immediately reinstate the unjustly dismissed four union leaders and 30 workers who are union members;
- > allow workers to freely exercise their rights to free association and collective bargaining, and
- > implement all the recommendations contained within the independent report in full.



To read the full report on PT BPG please see: [www.cleanclothes.org/ftp/05-BPG\\_Investigaton\\_of\\_busana.pdf](http://www.cleanclothes.org/ftp/05-BPG_Investigaton_of_busana.pdf)

To send a letter of concern to PT BPG management from the CCC website, see: [www.cleanclothes.org/urgent/05-09-05.htm](http://www.cleanclothes.org/urgent/05-09-05.htm)

Workers at PT Busana Prima Global.



## Workers from Four Continents Sue Wal-Mart in US

On September 13<sup>th</sup> 2005 a lawsuit against US retail giant Wal-Mart was filed in California Superior Court in Los Angeles on behalf of workers from Wal-Mart's supply chain in different parts of the world. The workers are charging that Wal-Mart failed to meet its contractual duty to ensure that its suppliers pay basic wages due; forced them to work excessive hours seven days a week with no time off for holidays; obstructed their attempts to form a union; and made false and misleading statements to the US public about the company's labour and human rights practices.

Because Wal-Mart has a "Supplier Standards Agreement" with its suppliers that includes adherence to its code of conduct, the suit alleges that Wal-Mart has a contractual obligation to the workers, who are supposed to benefit from the workers rights provisions found in the code. As part of its obligations under the supply contract, and in its promise to US consumers, Wal-Mart says it will monitor supplier factories to ensure compliance with its code of conduct. However, the complaint states, "because Wal-Mart's system limits factory inspections to those conducted by internal Wal-Mart auditors, or relies upon consultants paid for by Wal-Mart, it is far from effective and allows rampant violations to continue."

Those bringing the suit against the retailer include garment and toy workers at its suppliers in China, Bangladesh, Indonesia, Swaziland and Nicaragua who were not paid the legal minimum wage, were forced to work overtime, and in certain cases were denied the right to organise. According to the complaint:

*Wal-Mart ultimately has control over the working conditions at all of its suppliers because of its notorious policy of requiring the lowest possible prices, which Wal-Mart knows, makes it impossible for suppliers to comply with even the most basic laws where they operate, including wage and hours laws.*

Workers in California are also part of the suit. As employees of California businesses that compete with Wal-Mart, they argue that they were forced to make wage and benefit concessions to allow their employers to try to compete with Wal-Mart.

It is argued that the cases from outside of the US that form part of this suit could not be heard in the workers' home countries due to fear of reprisals, lack of independent legal systems and corruption. The workers' legal team includes the US-based International Labor Rights Fund.

To read the full complaint and learn more about this lawsuit, see the ILRF website: [www.laborrights.org](http://www.laborrights.org)



# New Resources

## 1. CCC Report Criticises Social Auditing Practices

Research for a new CCC report, "Looking For A Quick Fix: How Weak Social Auditing Is Keeping Workers In Sweatshops" carried out in Bangladesh, China, Kenya, India, Indonesia, Morocco, Pakistan and Romania, found that social audits are often short, superficial, and sloppy, and are often conducted by global firms whose staff are generally unskilled and inexperienced. Audits are often not followed up with sufficient remediation. The lack of transparency within the audit industry also hinders serious discussion about its policy, practices and possible improvements to its methods.

Available at [www.cleanclothes.org/publications/quick\\_fix.htm](http://www.cleanclothes.org/publications/quick_fix.htm)

## 2. Asda Wal-Mart – The Alternative Report

The second in a series of alternative company reports from the UK-based NGO War on Want looks at the world's largest retail company Wal-Mart. The September 2005 report describes how Wal-Mart's pursuit of the lowest possible prices has taken a heavy toll on its employees and suppliers. This report compares Wal-Mart's record to its rhetoric on corporate social responsibility and also recommends action to redress some of the damage inflicted by the company's operations.

Available at [www.waronwant.org/?lid=8247](http://www.waronwant.org/?lid=8247)

## 3. MSN Codes Memo

The September 2005 issue of the Maquila Solidarity Network's *Codes Memo* includes articles on CSR reports and transparency, on MFA Forum activities in Bangladesh, and a critical assessment of the Business Social Compliance Initiative. The *Codes Memo* is also available in Spanish.

Available at [www.maquilasolidarity.org/resources/codes/index.htm](http://www.maquilasolidarity.org/resources/codes/index.htm)

## 4. MSN Profile of Successful Campaigns

Maquila Solidarity Network (MSN) has published an 82-page booklet, called "Brand Campaigns & Worker Organizing: Lessons from Lesotho, Thailand and Honduras". The document profiles three successful international campaigns that helped defend workers' right to organise. Based on MSN's involvement in these three campaigns and on interviews with other participants, the booklet draws both positive and negative lessons for labour rights advocates in both the North and South. The booklet, published in October 2005, is available in English and Spanish for \$7 (including postage).

To order and for more information, e-mail [info@maquilasolidarity.org](mailto:info@maquilasolidarity.org)

## 5. Fair Purchasing Practices?

Addressing the negative impact that purchasing practices or sourcing systems can have on code compliance was one of the main demands in the Play Fair at the Olympics campaign. This CCC paper, "Fair Purchasing Practices? Some Issues for Discussion" briefly presents the main concerns related to purchasing practices and their relation to the CCC's campaign activities. See pages 10-11 for more information on purchasing practices.

Available at [www.cleanclothes.org/publications/05-05-purchasing\\_practices.htm](http://www.cleanclothes.org/publications/05-05-purchasing_practices.htm)

## 6. The Business Social Compliance Initiative: A Critical Perspective

The Clean Clothes Campaign released a 20-page paper in June 2005 providing a critical perspective of the Business Social Compliance Initiative (BSCI). This document outlines the many weaknesses of this industry-controlled auditing initiative.

Available at [www.cleanclothes.org/codes/05-05-bsci-report.htm](http://www.cleanclothes.org/codes/05-05-bsci-report.htm)

## 7. Building International Solidarity: African Asian Networking

This is a report of a solidarity workshop for African garment workers held in Swaziland in May 2005 that aimed to develop campaigning initiatives to improve working conditions in Eastern and Southern African garment factories. The workshop, organised by the International Textile Garment and Leather Workers Federation and the Dutch NGO SOMO (Centre for Research on Multinational Corporations), focused specifically on developing initiatives to address working conditions in Asian manufacturer multinationals, producing for large retailers, especially Wal-Mart. During the gathering, trade unions, shop stewards, and NGOs shared information and developed an action plan to improve working conditions in the region.

Available at [www.cleanclothes.org/ftp/05-Swaziland-report.pdf](http://www.cleanclothes.org/ftp/05-Swaziland-report.pdf)

## 8. Burmese Migrant Workers in Thailand

"The Race to the Bottom: Exploitation of Workers in the Global Garment Industry" was published by Norwegian Church Aid



(NCA) in January 2005 and written by Junya Yimprasert of the Thai Labour Campaign and Petter Hveem, former advisor to NCA. The paper explores the competition that contributes to bad conditions in garment producing countries and examines in particular the exploitation of Burmese migrant workers in the export-processing zone in Mae Sot, Thailand. The paper demonstrates that a combination of strong employers and weak employees in the context of extreme competition for contracts, combined with non-enforcement and corruption on the part of the Thai authorities, provides the foundation for extreme worker exploitation by factory owners, which in turn is exploited by agents and brands to keep production costs low.

Available at [www.thailabour.org/docs/index.html](http://www.thailabour.org/docs/index.html)

### **9. Social Auditing in Bulgaria, Romania and Turkey**

The International Labour Organisation researched and analysed auditing and certification initiatives across different industries in four EU Accession/Candidate Countries for "Social Auditing in Bulgaria, Romania and Turkey: Results from survey and case study research, 2005". The close proximity of these countries to each other and the large amount of outsourcing from western European firms – particularly in the garment and textile industries where auditing is probably the most prevalent – make them ideal locations to investigate auditing and certification initiatives. Among other things, the research aimed to better understand the costs and benefits associated with social auditing for employers.

Available at [www.ilo.org/public/english/region/eurpro/ankara/programme/research.htm](http://www.ilo.org/public/english/region/eurpro/ankara/programme/research.htm)

### **10. Labour Policies Of Work Wear Companies Supplying Public Authorities In Europe**

The main buyers in the European work wear market, valued at an estimated \$3.59 billion in 2001, are public authorities. In the Netherlands for example, experts estimate public procurement to be responsible for 60% of total work wear sales. The aim of this report, published in October 2005 by SOMO (Centre for Research on Multinational Corporations) for the CCC, was to provide information on large companies supplying local authorities and governments in different European countries and to take a closer look at the CSR policies of these companies. The latter is particularly important since public authorities can play a key role in improving the sustainability of the work wear sector by including social and environmental criteria in their procurement procedures.

Available at [www.cleanclothes.org/campaign/communities.htm](http://www.cleanclothes.org/campaign/communities.htm)

### **11. Background Papers on Working Hours and Living Wage**

Two CCC background papers on living wages were prepared as input for a meeting on "Exploring common approaches to Corporate Accountability and Workers' Rights" held at Massachusetts Institute of Technology (MIT) in the US July 11-12, 2005, in conjunction with the Jo-In project (the Joint Initiative on

Corporate Accountability and Workers' Rights, in which the CCC participates).

"Work Hours, Overtime and Codes of Conduct" presents an overview of working time policy and debates surrounding working time. It concludes that: (1) working time stipulations in codes of conduct often do not impose stricter regulations than those that exist in many countries; (2) that codes of conduct leave many aspects of working time that are regulated by national legislation out of the codes, such as stipulations about break time and night work; and (3) low wages and the need for producers to meet deadlines are likely the main drivers of excessive overtime.

Available at: [www.cleanclothes.org/ftp/05-07-mit\\_Working\\_Time.pdf](http://www.cleanclothes.org/ftp/05-07-mit_Working_Time.pdf)

The second paper – "Wages in the Apparel Industry; what constitutes a decent standard?" – outlines the three key approaches aimed at providing a "fair and decent" wage for workers in the global apparel industry. The three approaches, based upon: (1) legally-mandated minimum wages; (2) prevailing industry wages; and (3) efforts to promote a living wage are reviewed, highlighting the strengths and weaknesses of each approach.

Available at: [www.cleanclothes.org/ftp/05-07-mit\\_living\\_wages.pdf](http://www.cleanclothes.org/ftp/05-07-mit_living_wages.pdf)

### **12. Rights Violations Still Rampant in Turkey and Eastern Europe**

Eight years after the CCC first carried out research in Eastern Europe researchers have found the situation regarding working conditions in the garment industry, which was not good at that time, to be essentially unchanged. "Workers' Voices: The Situation of Women in the Eastern European and Turkish Garment Industries", recently published by the CCC and the Evangelische Akademie Meissen, features profiles of six countries and valuable insight into key issues for follow-up by those seeking to support garment workers' rights in the region. In addition to information on the garment industry regionally and in relation to the European Union trade regime, details on the industry and working conditions faced by workers in Bulgaria, Macedonia, Poland, Serbia, Turkey, Romania and Moldova is presented. Drawing upon interviews with 256 workers from 55 workplaces, the report concludes that basic labour standards are regularly violated in the Eastern European and Turkish garment production sectors. However, researchers did uncover a few instances in which multi-national retailers and corporate members of multi-stakeholder initiatives had put efforts into carrying out some improvements. A list of brand and retailers sourcing from the region is included.

Available at: [www.cleanclothes.org/pub.htm](http://www.cleanclothes.org/pub.htm)





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