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### WORK CONDITIONS OF WOMEN WORKING IN CLOTH FACTORIES IN POLAND

Research Results, 2005

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KARAT Coalition Warsaw, 2005



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#### **TABLE OF CONTENTS**

6.	Introduction	2
<b>7</b> .	Clothing Industry in Poland	6
8.	Legal Framework	12
9.	Research Results	15
10	Conclusions	23

#### 6. INTRODUCTION

In all parts of the globe it is predominantly women who are employed in the production of clothing. Simultaneously, the maximization of profit through the breaching of work standards, as defined by international laws, is also a global phenomenon. In practice, this leads to employees being forced to work in extremely bad conditions which is synonymous with a significant number of women being exploited by large firms producing clothing. Unfortunately, Poland is no exception as far as this problem is concerned and that is why the country has become a focus for organisations monitoring the observance of workers rights in the apparel industry.

One of these organisations is Clean Clothes Campaign (CCC) which has been functioning in Poland since November 2003. CCC is a coalition of NGOs, trade unions and individuals acting in 11 European countries for the improvement of working conditions in the global garment industry. CCC monitors the working conditions in garment factories, organizes consumer boycotts of the brands whose production involves human rights violation, and also supports workers and mobilizes trade unions in their struggle for changing the situation. CCC also builds long term cooperation with organisations focusing on the labour market in the production countries. Additionally, it focuses on the opportunities to fight for workers rights using legal mechanisms throughout the entire supply chain of clothing. It places great emphasis on the right of consumers to access information about the conditions in which clothing they buy is produced<sup>1</sup>.

In Poland CCC projects are carried out in co-operation with KARAT Coalition, a regional network of gender organizations from Central and Eastern Europe and the Commonwealth of the Independent States focusing on the economic position of women in the region. One of the particular interests of KARAT is the situation of women in the labour market<sup>2</sup>.

Joint projects of KARAT and CCC consist of research focusing on work conditions in clothing factories, based on interviews with women they employ, dissemination of research outcomes through publications aimed at increasing public awareness about the issue. The projects also include an attempt to form a national coalition of organisations, trade unions and individuals focusing on the improvement of work conditions in the clothing industry.

The first stage of the research conducted by CCC and KARAT about monitoring observance of workers rights in the apparel industry in Poland was conducted in 2004. It involved 4 clothing factories. The research outcomes showed that the conditions in which women work in those factories were often breaching work standards specified by the International Labour Organisation (ILO), and that the economic situation in Poland (high unemployment rate) and passivity of the trade unions are serious barrier for workers wanting to fight for their rights. The research indicated that female workers are often

<sup>&</sup>lt;sup>1</sup>More information about CCC is available at http://www.cleanclothes.org/index.htm

<sup>&</sup>lt;sup>2</sup> More information about KARAT Coalition is available at: www.karat.org, www.womenslabour.org, www.kobietypraca.org

forced to work overtime, and when they refuse they are penalised by being moved to other worse paid duties, loose their bonuses, are badly treated and sometimes even risk being dismissed. Additionally, employees are not informed about the time they will be required to work in advance and they also cannot exchange overtime for time off work. Since work is organized on the quota basis, and the quotas of items to be produced by each worker during the shift are often set too high, workers have to stay at work for longer then 8 hours to fulfil it. In all the factories the 'starting' and constant element of the wage is the minimal wage, and any additional elements of the salary is calculated on the basis of number of items completed by workers. Additionally, there are often long delays in payment of wages (even up to 16 days). Work conditions in the majority of factories are very bad and due to faulty equipment there are often accidents at work (finger injuries, burns)<sup>3</sup>.

These alarming research outcomes point to the need for the further monitoring of work conditions in Polish clothing industry. This is why in 2005, KARAT in cooperation with the Clean Clothes Campaign continued the monitoring of work conditions in factories producing clothes as part of a project called "Improving Work Conditions of Women Working in Clothing Factories in Poland". The implementation of this project was possible thanks to financial support from a German organisation called "Women's World Day of Prayer. German Committee".

At this stage of the research female workers of 10 further factories were interviewed in order to establish if **8 basic standards** (Code of Labour Practices for the Apparel Industry Including Sportswear) considered by Clean Clothes Campaign to be the most important in clothing industry are being observed. The first four standards are based on ILO conventions. The remaining four are based on workers rights which are most commonly breached in clothing industry. These includes:

Free choice of employment (ILO Convention 29 and 105)

Prohibition of discrimination in employment (ILO Convention 100 and 111)

Prohibition of child labour (ILO Convention 138 and 182)

Freedom of association and the right to collective bargaining (ILO Convention 87 and 98)

Prohibition of exceeding agreed work hours maximum of 48 hours per week plus 12 hours of overtime (ILO Convention 1)

Decent wage (ILO Convention 26 and 131 and Universal Declaration of Human Rights)

Safe and legal employment (A safe and hygienic working environment (ILO Convention 155)

The research in Poland was conducted on the basis of a specially developed questionnaire utilising methodology developed by CCC. In 2005 trained researchers interviewed 96 persons from 10 companies with diverse legal statuses. The women interviewed were working in companies involved in Outward Processing Trade (OPT),<sup>5</sup> and producing clothes for the foreign firms. All interviews were confidential.

<sup>&</sup>lt;sup>3</sup> Data quoted here is derived from the research conducted in 2004. The report from this research (in Polish) is available at: www.kobietypraca.org

<sup>&</sup>lt;sup>4</sup> More information about the organization (in German) available at: http://www.weltgebetstag.de/

<sup>&</sup>lt;sup>5</sup> The term OPT refers to production when all or part of the material utilized is "temporarily exported" by the buyer to the processing region.

The long term goal of the research and of the publication and distribution of its outcomes is the improvement of work conditions in clothing industry. Increasing awareness among the public (including consumers), media and decision makers in relation to the breaching of workers rights appears to be the most effective method of reaching this objective. Information presented in the report can help to achieve this.

While in other parts of the globe, consumer campaigns often have very tangible effects, in Poland the awareness of and particularly the reaction of consumers to cases of breaking labour rights is still relatively insignificant. This does not mean, however, that generally speaking the situation is not improving. Currently, positive changes are taking place in retail but not yet in the clothing industry. During the last two years the attention of the media and of the public as well as the National Labour Inspectorate has been focusing on several (foreign) supermarket chains who are operating in Poland and drastically breaching labour regulations. Media dedicated a lot of attention to the situation of the employees of those supermarkets, including the case of workers of the "Biedronka" chain. We hope that soon greater attention of the media will focus on apparel industry, and that the information included in this report will motivate companies concerned about their image to improve work conditions in their factories.

In countries with greater consumer awareness, producers are concerned about consumer boycotts caused by the breaches of production standards, including standards related to labour rights. According to Clean Clothes Campaign data, 70% of Western European consumers state that social responsibility associated with the given brand is important for them when making a decision about purchasing a given product. Every fifth consumer is prepared to pay more for an 'ethical' and environmentally friendly product, every sixth buyer often bases their purchase decision on the basis of the reputation of the producer. In Poland consumer awareness is quite low. The goal of the joint project of KARAT and CCC is increasing it through the provision of reliable information related to the observance of labour standards in companies operating in Poland.

Beside the research component, the project of KARAT and Clean Clothes Campaign financed by Women's World Day of Prayer intended to establish a network/coalition of local organisations working on the improvement of work conditions in clothing industry. KARAT is very experienced as far as the creation of a coalition is concerned; therefore, we were confident that also this time we will be able to establish a broad cooperation network. Additionally, we also believed and still do, that the best method of improving work conditions in the apparel industry is cooperation within the network of local organisations and individuals interested in the issue. We hoped to involve trade unions, women's organizations, church based organizations, as well as other local organizations and individuals. Many organisations and individuals declared interest in such cooperation during the first research project conducted by KARAT and CCC (previously mentioned research in 4 factories). We also received such a declaration while preparing for the project this report is dedicated to, unfortunately the declarations did not lead to any concrete outcomes.

Initially, KARAT hoped that organisations associated with Catholic Church or individual priests from the parishes, where the employers of the clothing factories live or where the factories are located, will become involved in the network. The Catholic Church at least appears to have very significant authority in Poland, with a very large proportion of citizens, including employers and employees, attending Sunday

mass and respecting the opinion of their priests. If the Church started to focus on the issue of work ethics and respect of workers, including women factory workers, this would definitely have a positive impact on the general social attitude towards the issue. At the same time, KARAT was aware that in Poland organisations associated with the Catholic Church usually are very reluctant in participating in projects focusing on women, with the exception of initiatives placing emphasis on the women acting in their traditional role of mothers and wives. During the implementation of this project the coordinator of this project was unable to identify any organisations associated with the Catholic Church and focusing on the rights of women working in clothing industry. Issue of women as citizens or workers is not openly addressed by organisations associated with Catholic Church or by individual priests. This is guite surprising especially in the context of the historical role that Catholic Church played in the social movement 'Solidarity". We do hope, however, that despite the fact that during this project we did not manage to establish working relationship with organizations associated with the Church does not mean that in the future such cooperation will not be possible. This is so particularly since in recent times we hear about individual priests stigmatizing bad treatment of women, including women workers. In some parishes also services in the intention of workers and unemployed have been held. In the letter of the Pope John Paul II written on the 10th of April 1995 in association with the IV UN International Conference on Women in Beijing, and popularised again in Poland by media after the death of the Pontiff in 2005, specific references were made to rights of women as workers. This gives hope that the Catholic Church in Poland will place greater emphasis on the conditions in which women, including women employed in apparel industry, work.

During the implementation of this project our expectations in relation to cooperation with trade unions were also not met. Trade Unions operating in Poland's light industry are generally quite weak, not very mobile and accustomed to traditional, often outdated and not always effective methods of intervention, operation and cooperation (this includes cooperation with workers they represent, employers and organizations focusing on related issues).

The majority of trade unionists contacted by KARAT had a difficulty in understanding the goals and methods by which CCC operates. Providing them with necessary information was also difficult for example, due to lack of access to the Internet or lack of knowledge of English (this is the language in which most of CCC materials are available in). Additionally, most trade union representatives did not understand the need for observing of confidentiality and anonymity during the research this report is describing. Finally, one of the most important elements making cooperation difficult was lack of time or even willingness to become involved in the project. Nevertheless, we managed to gain important experience, regarding the nature of trade unions in Poland which we hope to use in future initiatives related to work conditions in clothing factories in Poland.

Despite earlier declarations, local women's organizations also did not become involved in any significant way in the project. This was mainly due to the lack of resources as well as a weak connection with workers of the clothing factories which are often so disempowered by their situation that they give up on any attempts to improve it, including contacting non-governmental organizations which could try to help them.

All of the above experiences gained during the implementation of this project partly explain why exploitation of women in clothing factories in Poland is possible and does not lead to strong opposition

and protests. Difficulties in establishing cooperation allowing for a development of a network of organizations and individuals focusing on improvement of work conditions in clothing industry, a generally low level of awareness about breaches of work standards, infrequent protests, equally infrequent case of breaches of work standards becoming public are all strong arguments for the continuation of the activities undertaken by CCC and KARAT. What is particularly needed is a formal structure within which partner organizations can co-operate.

Despite the difficulties described above there was a positive response to the project from young volunteers, willing to help in activities aimed at the improvement of the work conditions in clothing industry. This interest of young people gives us hope that in the future local partners will become more involved and that CCC coalition will be formed in Poland.

#### 7. CLOTHING INDUSTRY IN POLAND

#### **Production**

Similarly to other EU countries, the clothing industry in Poland is not in the best condition. In the first half of 2003 a 5,5% drop in production (calculated using the same indicators as in the rest of Europe<sup>6</sup>) was noted in this sector in Poland. Additionally, the total amount of sold production of light industry has also dropped in comparison to previous years. This decline has been almost constant since 1998 which indicates that the weakening of the clothing industry is of a permanent nature. According to a report of the Minister of Economy and Employment (Poland 2004 – Report on Industry Condition) the main causes of it are limited domestic demand, combined with a simultaneous increase of exports and significant inflow of imported goods<sup>7</sup>.

SOLD PRODUCTION OF LIGHT INDUSTRY 2003						
Textiles	8.358,9 mln. PLN	8,4% increase as compared to the previous year				
Clothing Production	7.397,7 mln. PLN	5,1% decrease as compared to the previous year				
Leather Goods	2.802,2 mln. PLN	7,4% drop as compared to the previous year				
Total	18.558,8 mln. PLN					

Source: Ministry of Economy and Employment, Poland 2004 Report on Industry Condition

<sup>&</sup>lt;sup>6</sup> Anna Sielanko, Postawmy na specjalizację, "Rzeczpospolita" 13.12.04

Ministerstwo Gospodarki i Pracy, Polska 2004- Raport o Stanie Przemysłu, p. 14 (Ministry of Economy and Employment, Poland 2004 Report on Industry Condition)

Despite this drop in production, the clothing industry is still relatively important for the Polish economy. The share of clothing production as a proportion of total Polish production is 4,4%. It is larger then in Czech Republic and Hungary<sup>8</sup>. Additionally financial results of the Polish clothing industry in 2004 were much better then in the previous years. Net profit increased by more then half and overall profitability was more than 70%<sup>9</sup>. Above data can suggest that cost of production have been lowered, what in turn could mean a deterioration of work conditions.

INCOME OF LIGHT INDUSTRY 2003					
Textiles	8.510,4 mln. PLN	5,5% increase as compared to the previous year			
Clothing Production	5.178,2 mln. PLN	3,3% increase as compared to the previous year			
Leather Goods	2.184,9 mln. PLN	4,5% increase as compared to the previous year			
Total	15.873,5 mln. PLN	4,6% increase as compared to the previous year			

Source: Ministry of Economy and Employment, Poland 2004 – Report on Industry Condition

#### **Export**

Clothing produced in Poland is mainly exported to Germany, which makes Poland, beside China, Turkey, Romania and Italy one of the main suppliers of clothing for the German market.

In 2003 the PLN value of textile industry exports increased by 7% (this included increases in exports to EU countries by 6,9%). The increases of imports, however, was much greater for this period (13,5%, including 13% from EU) $^{10}$ . In the light industry exports, an important role is played by producers who directly sell their own apparel. The fact that 80% of apparel produced in Poland takes place in factories located in Poland but owned by foreign corporations is very important in this context.

DIRECT EXPORT OF LIGHT INDUSTRY IN 2003					
Textiles	1.131,8 mln. USD	26,1% increase as compared to the previous year			
Clothing Production	1.869,2 mln. USD	10,4% increase as compared to the previous year			
Leather Goods	418,6 mln. USD	12,3% increase as compared to the previous year			
Total	3.419,6 mln. USD	15,4% increase as compared to the previous year			

Source: Ministry of Economy and Employment, Poland 2004 - Report on Industry Condition

<sup>&</sup>lt;sup>8</sup> Fair Wear Foundation, Studium Sytuacji Polska 2004, http://www.fairwear.nl/tmp/BS%20pol%2001.pdf

<sup>&</sup>lt;sup>9</sup> Anna Sielanko, Postawmy na specjalizację, "Rzeczpospolita" 13.12.04

<sup>10</sup> Ibidem

#### **Employment**

The number of persons employed by Polish industry has decreased in 2003 by 2,8% as compared to the previous year. Currently 33% of all persons employed are working in industry. According to the Ministry of Economy and Employment the drop of persons employed by industry has been caused mainly by the drop of average employment in production of clothing and fur products. In 2003 there were 310,2 00 persons employed in light industry, 5,9% less than in 2002<sup>11</sup>. Thirteen percent of persons employed in industry are employed in the production of clothing and textiles. It is not uncommon for clothing factories to be the main employers in regions where unemployment reaches 20% and even 30%. Importantly, the majority of employees in this sector are women.<sup>12</sup>

An important phenomenon associated with the clothing sector in Poland is the black and grey economy. According to the report prepared by Financial Times in 1995, in Łodź alone approximately 140 000 persons were employed informally in clothing production. It is estimated that this number has increase in recent years, especially since migrants from Eastern neighbours of Poland are increasingly employed in this manner<sup>13</sup>.

#### Remuneration

Currently the clothing industry is the sector with the lowest wages in Poland, at the same time it employs greatest number of women. In 2001 an average gross wage in this sector was 1183,12 PLN, while in textiles it was 1476,36 PLN, in mining 3596,44 PLN, and in chemical industry (production of fertilizers) it was 3737,28 PLN (Central Statistic Office, 2001).

#### **Structure**

The Polish clothing industry was almost completely privatised in the early stages of the economic transformation of Poland which followed the 1989 political change. Most of the producers currently operating in this sector are very small factories. Approximately 44 000 clothing producers operate in Poland but only 1000 of them employ more than 50 persons. The 'giants' of this sector which are at the same time the most successful companies are: Vistula SA, Wólczanka SA, Zakłady odzieżowe Bytom SA, Próchnik SA, Modena SA czy Intermoda SA; the rest are small factories<sup>14</sup>. The fact that production takes place in such large number of factories has a very negative impact on the financial position of the clothing industry which leads to the bankruptcy, particularly among small factories<sup>15</sup>. In 2003 the greatest drop of the number of producers of light industry impacted clothing production (408 companies), and particularly smalls entities, employing up to nine workers. A drop in the number of the large companies employing over 250 workers was also noted<sup>16</sup>.

<sup>&</sup>lt;sup>11</sup> Ministerstwo Gospodarki i Pracy, Polska 2004- Raport o Stanie Przemysłu

<sup>&</sup>lt;sup>12</sup> Fair Wear Foundation, Studium sytuacji Polska 2004

<sup>&</sup>lt;sup>13</sup> Clean Clothes Campaign, "Made in Eastern Europe", 1998

<sup>&</sup>lt;sup>14</sup> Fair Wear Foundation, Studium sytuacji -Polska 2004

<sup>&</sup>lt;sup>15</sup> Tomasz Peplak, Analiza polskiego przemysłu lekkiego, "Gazety Małych i Średnich Przedsiębiorstw".

<sup>&</sup>lt;sup>16</sup> Ministerstwo Gospodarki i Pracy, Polska 2004- Raport o Stanie Przemysłu, p. 229.

#### **How does Clothing Industry Operate?**

Clothing producers operating in Poland can be divided into two groups:

In the first group there are Polish brands such as: Reserved, Top Secret, Tatuum, Atlantic or Troll. They are functioning according to global trends observed in clothing industry, locating their factories in China, Pakistan, Bangladesh and Turkey which allows them to decrease costs of production through utilisation of cheaper labour and bypassing European work standards.

In the second group there are foreign brands. Poland is a good locality for western companies which place their factories here and this makes Poland one of the biggest exporters of clothing to the European Union. Factories located in Poland produce clothing for well know foreign brands. The majority of production is taking place in small firms where work standards are not observed. Non-paid overtime is commonly a constant element of employment, often no social protection is offered, nor is the possibility of permanent employment, and wages of seamstresses are between 900 and 1300 PLN, including overtime.

The majority of Polish factories are operated under a system called **Outward Processing Trade (OPT)**. It is based on production of clothing for foreign firms, with only the tag of the foreign well known brand (and not the tag of the producer located in Poland). It is estimated that 70-80 % of production of clothing industry is in this form.

This manner of operating the Polish clothing industry is associated with the so called "European Agreements" of 1982. Within those agreements textiles were described as 'sensitive' goods, since their import by the EU countries creates a threat to the well developed EU textiles trade. On the basis of the 'Agreements', the EU can also introduce anti-dumping measures for a specific category of textiles and clothing in order to counteract unfair competition. EU policy therefore is based on the protection of 'know how' and technologies and at the same time it encourages relocation of labour intensive, but not development oriented, elements of clothing production abroad. "Agreements" make it easier for the clothes produced exclusively under OPT system to be imported to EU. Other imports to EU are subject to import duties and taxes.

The location of factories in Poland producing for foreign firms is particularly profitable due to the small distance to the main European markets and relatively low costs of production. Poland has a well developed clothing industry infrastructure and qualified labour force as well as attractive tax breaks. Additionally, Poland is a growing consumer market which in time will be bringing increasing sales profits.

Well known brands have moved their production to countries such as Poland, also due to consumer campaigns focusing on non-ethical behaviour and breaching of worker rights in Asia. Large companies often prefer to move from the region subject to controversy and relocate their production to Central and Eastern Europe. Despite this, only large Polish factories producing high quality clothing for prestigious brands are in position to compete with Chinese and other producers.

#### No Change After 1st May 2004!

Currently, textile and clothing industry in European Union countries has to compete with Chinese producers. Due to the expiring in 2004 of a WTO Agreement, quotas related to imports of textiles and clothing from Asia are no longer relevant, therefore, since 1<sup>st</sup> January 2005 certain quotas of imports of

Textiles and clothing from Asia covered by this agreement which were protecting the EU market for last 14 years are no longer in force<sup>17</sup>. Therefore, consultations focusing on future regulation of trade in textiles and clothing between EU and Asia have been undertaken. They culminated on 20<sup>th</sup> of June 2005 in so called Shanghai Agreements between European Commission and Chinese Minister of Trade, and on 9th of July an amendment of the EU version of Commission Regulation implementing it was published<sup>18</sup>. This transition period has been extended until 2008. In the view of the possibility of EU introducing protective tariffs, China has agreed to further limit the trade of textiles and clothing. The EU, however, still has the problems associated with clothing held on the borders, supply problems in EU countries, and the danger of having to pay compensation to importers, wholesalers and retailers in the EU who were expecting elimination of the quotas and surprised by the changes introduced as a consequence of the new agreement. According to analysts, the European Commission has no choice but suspending the newly introduced quotas which may become the first step to their abolishment.

Polish experts believe that elimination of the limits will not be a direct threat for firms producing in Poland which throughout the entire period have so far successfully competed with Asia. The change of the situation, however, can undermine some of the Western European firms producing in Poland, with which Polish companies are closely linked (through OPT or production of parts).

When joining the EU Poland had to lower its duties on clothing produced in Asia from 18% to 12%. New member states were also obliged to adopt a European quota system for clothing imported from Asia. Many Polish firms, however, assuming that the quotas are going to be abolished, are implementing long term strategies and are moving their production to Asia. Some of them produce only every 10th of their products in Poland. Their presence in Asia is increasing gradually, they are establishing new contacts, involving additional suppliers and well known companies are opening offices in Asian cities in order to have greater control of the growing Asian production. For them every step toward liberalisation of imports from Asia is an opportunity to decrease costs of production and therefore increase profits<sup>19</sup>.

In this situation, increasing the observance of workers rights in new member states is not a priority for EU. It is more important to counteract the crisis faced by the European clothing industry which seems to be unable to compete with Asian imports. Increased competition means a need to decrease the costs of production and the work standards associated with it.

#### Women in Polish clothing Industry

In Poland women constitute the great majority of persons employed in the clothing industry, and therefore, any changes in this sector have a direct impact on their lives. Decreases in the number of factories producing clothing means a loss of employment; improvement of financial results of producers despite decreases in the value of sold production are often associated with a deterioration of work standards. Additionally, women working in the sector are the worst paid employees in Polish industry.

<sup>&</sup>lt;sup>17</sup>Coraz szersze wzajemne otwarcie. UE – Chiny: tekstylia, "Rynki Zagraniczne" Nr 151, 18-20.12.2004 http://www.rynki.sm.pl/archiwum/nr151.htm.

<sup>&</sup>lt;sup>18</sup> Commission Regulation (EC) No 1084/2005 of 8 July 2005 amending Annexes II, III and V to Council Regulation (EEC) No 3030/93 on common rules for imports of certain textile products from third countries http://europa.eu.int/eurlex/lex/Lex/UriServ/site/en/oj/2005/I\_177/I\_17720050709en00190026.pdf.

<sup>&</sup>lt;sup>19</sup> Aleksander Piński, Krzysztof Trebski, Tshirt z chińskim smokiem, "Wprost" Nr 1149, 05.12.2004

The difficult situation of women employed in clothing production has not changed for years. As a consequence of the restructuring and privatization of the apparel industry in Poland, many factories in the country were closed and the number of persons employed by it has been halved. In the regions traditionally associated with garment production women are the majority among the unemployed. Even in Łódź, which has been called a 'city of women' due to the large number of clothing factories employing women concentrated there, the production is significantly lover then in the period before the 1989 transformation. In the city mainly simple and cheap textiles which do not require highly skilled staff are produced<sup>20</sup>.

During the period of transformation, when clothing factories were becoming bankrupt and were liquidated, not much attention was given to their workers who were predominantly women. In comparison to other sectors of industry, clothing industry was not perceived as very significant for Polish economy. Dismissed seamstresses, in comparison to dismissed coal miners, did not receive any meaningful support from the government, did not receive high redundancy packages and were not covered by assistance programs.

Discrimination of women in the Polish labour market is still trivialized. Women in Poland on average earn less than men and are first to be fired Difficulties in accessing childcare services have also a negative impact on their position in the labour market<sup>21</sup>. Effective counteracting of gender related discrimination in employment is jeopardised by the relatively low level of awareness even among women about their own rights, low social awareness of the issue, and generally difficult conditions prevailing on the labour market. Due to high unemployment, also among women, workers decide against fighting for their rights, in fear of loosing employment.

Additionally, problem of exploitation of women in clothing industry is not addressed by appropriate government institutions nor by the trade unions which in Poland are predominantly dominated by men, and additionally, are experiencing various political, financial and structural problems which decrease their effectiveness.

The issue of observing of labour rights of women employed in clothing industry is ignored by the producers which concentrate on introducing effective strategies focusing on competition with Asian producers.

The number of non-governmental organizations defending the rights of women workers is also not very significant.

<sup>&</sup>lt;sup>20</sup>Fair Wear Foundation, Studium sytuacji-Polska 2004

<sup>&</sup>lt;sup>21</sup> Kinga Lohmann, Anita Seibert, Gender Assessment of the impact of EU accession on the status of women in the labour market. National Study: Poland, Warsaw 2003.

#### 8. LEGAL FRAMEWORK

When monitoring the working conditions in the Polish clothing industry CCC and KARAT focused on the fulfillment of the 8 Basic Standards, namely: free choice of employment, prohibition of discrimination in employment, prohibition of child labour, freedom of association and the right to collective bargaining, prohibition of exceeding agreed working hours, the right to a decent wage, safe and legal employment and a safe, and healthy working environment.

All of the 8 standards stem from the Declaration of the International Labour Organization of the 18 June 1998 (Geneva). Some of them have been considered to be particularly 'sensitive' and often not observed by the clothing industry world wide. They are also all reflected in the Polish law: the Polish Constitution (The Constitution of the Polish Republic), international agreements ratified by Poland and other laws, particularly the Labour Code, Regulations of the National Labour Inspectorate as well as laws on Trade Unions<sup>22</sup>.

**The Prohibition of Forced Labour** stems from ILO Convention 29 on Bonded Labour accepted in Geneva on 28 June 1930 and ILO Convention 105 on the abolition of forced labour dated 25 June 1957 ratified by Poland in 1958 and  $1959^{23}$ .

The above conventions stipulate that "forced or bonded" labour is any work or services provided under the threat of any punishment for which a worker did not agree voluntarily. At the same time, the issue of free choice of employment (the freedom to choose a profession, the right to practice such a voluntarily chosen profession and the right to choose the place of work) are stipulated by Articles 10 and 11 of the Labour Code.

It is stipulated there that "everyone has the right to such freely chosen employment and no one shall be deprived of the right to practice their profession, except for the cases defined in the Law. Establishing the regular employment relationship as well as agreeing on working conditions and wages, regardless of the legal basis of such relationship, requires the employer's and the employee's mutual declaration of consent". All forms of forced employment, including forced overtime, are, hence, illegal and contrary to the above regulations in force.

The employer has no right to hold the identity cards or passports of the employees or request any additional documents apart from those listed in the Order of the Minister of Labour and Social Policy of 28 May 1996 addressing the documentation which has to be done by employers with regards to the employment relationship and the methods of maintaining the files of the employees<sup>24</sup>.

This means that the employer can require a person applying for employment to submit a filled in application form together with the necessary number of photographs, certificates from previous employers, proofs of professional qualifications required for the post offered, primary school certificate (in case of an minor applying for apprenticeship), and if this is required by separate regulations, doctor's certificate stating that the applicant's health is fit for employment in the given position.

<sup>&</sup>lt;sup>22</sup> List of Labour Law regulations - http://www.opzz.org.pl/end/?dzial=prawo&nr=83

<sup>&</sup>lt;sup>23</sup> Dziennik Ustaw z dnia 23 marca 1959 r i Dz. U. z dnia 14 lipca 1959 r.

www.mgip.gov.pl/NR/rdonlyres/AEDB3515-39B4-40BB-8DC6 7BD8B4BC76CC/0/w\_sprawie\_prowadzenia\_przez\_pracodawcow\_dokumentacji.rtf

**Prohibition of child labour** is regulated by a number of international documents, including ILO convention no 138 from 26 June 1973<sup>25</sup> stipulating the youngest age of employment and no 182 on the prohibition and immediate action for elimination of the worst forms of child labour, as well as the UN Convention on the Rights of the child of 29 November 1989. Youth work is also protected by EU regulations including Directive no 94/33/WE of 22 June 1994.

The Polish Constitution places particular emphasis on protecting children from (among others) violence and exploitation (article 72). Additionally, article 69 of the constitution prohibits permanent employment of persons below age of 16. Employment of minors is regulated by Section 9 of Labour Code.

Freedom of association and the right to collective bargaining are regulated by ILO Convention no 87 ratified by Poland (addressing Freedom of association and protection of union rights), no 98 (focusing on implementation of right to organize and collective bargaining), no 135 (focusing on protection of representatives of the employees) and 143 (focusing on migration in improper conditions and equal opportunities and treatment of migrating workers). The regulations addressing issues covered by these conventions are regulated by Labour Code (prohibition of discrimination due to union membership Section One, Charter III a), in the law of 23 May 1999 (including later amendments) on the regulation of trade unions, law from of 23 May 1991 (with later amendment) on resolving collective industrial disputes<sup>26</sup>. Additionally, the right to actively participate in trade unions and to collective bargaining is addressed in other Polish regulations issued both on national and local levels.

**Prohibition on exceeding the agreed working hours** is regulated, among others, by the ILO convention no 1 addressing the limiting of work hours to eight hours per day and 48 hours per week, ratified by Poland. At the same time, however, EU law applies here, including directive 003/88 (codifying directives 93/104 and 2000/34). Adaptation of Polish law to EU laws lead to the including in Polish Labour Code Section VI which regulates work time. This Section provides detail instructions regarding work time norms (it cannot exceed 8 hours per day and on average 40 hours in a normal 5 day working week), period of rest (employee is entitled to at least 11 hours of uninterrupted rest), overtime (which cannot exceed 150 hours per year per worker), night work and work on Sundays and holidays.

Additionally Section VII of Labour Code regulates issues connected to leave entitlements (annual holiday leaves and unpaid leave) stating that the holiday leave is 20 to 26 days per year, depending on number of years worked.

The right to decent wage is connected to the ILO Convention no 26 (addressing methods of establishing of minimum wage) and no 131 (addressing establishment of minimum wage, particularly in relation to developing countries)<sup>27</sup>, as well as the Universal Declaration of Human Rights. In Poland the notion of a 'living wage' does not function in law. Therefore, the main legal document regulating this issue is a law from 10 October 2002 addressing the minimum wage. The minimum wage is established every year by a Tripartie Commission which takes into consideration some of the economic and social indicators. Increases of prices are also taken into consideration here<sup>28</sup>. Section III of Labour Code regulates issues connected to establishing of payments for work as well as other work related matters as well as wage protection.

<sup>&</sup>lt;sup>25</sup> This convention has been ratified by Poland in 1978 (Dz. U. z dnia 27 maja 1978 r)

<sup>&</sup>lt;sup>26</sup> Fair Wear Foundation, Studium Sytuacji Polska 2004

<sup>&</sup>lt;sup>27</sup> None of these two conventions has been ratified by Poland

<sup>&</sup>lt;sup>28</sup> Fair Wear Foundation, Studium Sytuacji Polska 2004

Besides the minimum wage, there are few other methods of establishing a poverty line and this is closely linked to the notion of the decent wage. Poverty lines applied in Poland are: (1) extreme poverty (biological survival, approximate equivalent of \$2 per day), (2) statutory poverty, which is calculated on the basis of biological survival rate and costs of participation in society which means transport to work and health care, (3) relative poverty (50% of expenses of an average household), (4) subjective poverty, which is define by household. (5) Additionally, the Institute of Work and Social Affairs calculates a social minimum which includes income required for participation in society and satisfying of basic needs (minimal shopping basket cost)<sup>29</sup>.

**Right to safe and legal employment** is regulated by Section II of Labour Code. According to it, before entering employment relationship, an employee agrees to perform specific work for the benefit of the employer, under his/her instructions, and in the place and time specified by the employer and the employer agrees to provide the employee with remuneration. Employment under the above mentioned conditions has to be bound by the employment contract, and regardless of any other agreements, by parties involved and cannot be replaced by other form of contract (for example civil contract). According to Polish law the following work contracts can be signed: permanent contract (for unspecified period of time), temporary contract (for a specified period of time) or contract for the period required to complete a specific task. Signing of a second temporary contact is equivalent of signing permanent contract, if before that the parties signed a temporary contract twice, for the subsequent periods of time, and if the break between the periods was not longer than one month.

Article 29 is particularly important here. It states that the signing of work contracts with an employers for part-time employment cannot lead to work conditions and remuneration being worse then in the case of full-time employment; at the same time, however, remuneration and other conditions should be calculated as an appropriate proportion of full-time employment.

Issues related to employment contracts and remuneration for the work performed are also covered by the act of 13 March 2003 on the specific condition of resolving work contracts due to reasons not related to the workers, and about workers claims in case of lack of financial resources of the employer from 29 December 1993.

The right to decent work conditions is regulated by the ILO Convention no 155 from 3 June 1981 focusing on safety and health of workers and work environment<sup>30</sup>. Polish law has over 110 regulations focusing on issues related to workplace health and safety, including those describing health and safety conditions which should be implemented in different workplaces<sup>31</sup>. However, no complex separate and bounding documents focusing on health and safety for workers of clothing industry have been created to date. One can refer to the general regulations of the Labour Code including article 226 which obliges employers to assess and document employment hazards related to work performed and to implement necessary risk minimization strategies, as well as to informing employees about the work hazards associated with tasks performed by them.

<sup>29</sup> Ibidem

 $<sup>^{30}</sup>$  This convention has not been ratified by Poland.

<sup>&</sup>lt;sup>31</sup> List of regulations - http://www.bhp.com.pl/przepisy/start.htm

#### 9. RESEARCH RESULTS

The research focusing on work conditions in clothing factories undertaken by Clean Clothes Campaign and KARAT Coalition was based on interviews with female workers. It was our belief that this form of research is the best method of gathering reliable information about work conditions in the clothing industry. Interviews were conducted outside the factories and without the knowledge of the employers which is particularly important. The respondents were assured anonymity and confidentiality. Due to the fact that the clothing industry is very feminised and some of the questions focus on gender discrimination and sexual harassment, most of the researchers were women. Effort was made to ensure that the interviews were conducted in the safes conditions possible, as this allowed for the gathering of information which often cannot be gathered by the formal bodies tasked with the activities aimed observing labour laws such as trade unions and the National Labour Inspectorate.

The environment in which interviews were conducted varied: when the interviewers were introduced to the workers by a person whom the workers knew, after a brief moment of suspicion, the workers usually became friendly and open, and provided the interviewers with a lots details related to conditions in their factory. In other cases, however, respondents limited their answers. It can be assumed that this was caused by concern about work and demonstrated a lack of trust towards unknown persons. Such attitude of workers demonstrates the extent of constant fear and uncertainty in which the women employed by the clothing industry live.

In 2004 and 2005, the Clean Clothes Campaign and KARAT Coalition focused on 14 clothing factories located in Poland. In 2005 researchers interviewed 96 persons, employed in 10 different firms, including private firms, disabled persons co-operatives, and joint stock companies. Women selected for the interviews were involved in Outward Processing Trade (OPT) system, producing clothing for companies in Germany, France, Holland, Belgium, Great Britain, Ireland, Italy, Denmark, Austria, Switzerland, USA, Canada and Japan. Some of the firms also produce uniforms for Polish and European services such as police, air ports, shipping, banks, railroads, bus services etc. Production under the OPT system is a way of production and trade in clothing where a retailer or manufacturer exports un-manufactured fabric or semi-manufactured garments abroad and later imports back the assembled garments. Approximately 80% of all garment exports from Eastern Europe to Germany are produced under the OPT system, accounting in some countries for more than 95% of exports, with Poland and Romania playing particularly important role here<sup>32</sup>.

The research conducted by the Clean Clothes Campaign and KARAT Coalition focused on the observance of 8 basic standards considered by Clean Clothes Campaign to be the most important in the case of the clothing industry and described in more detail in the chapter focusing on legal framework.

The research conducted in 2005 as part of this project, in a majority of the cases, pointed to similar problems as those observed during the research conducted by CCC and KARAT in 2004. This

<sup>&</sup>lt;sup>32</sup> Clean Clothes Campaign (2005) Worker's Voices: The situation of women in the Eastern European and Turkish garment industries

consistency suggests the extent of the issue where it can be speculated that the problems are not limited to a small number of factories but may be industry-wide. This in turn highlights the pressing need for appropriate action to be undertaken in order to change the existing situation.

After the transformation of the political and economic system of Poland, the clothing industry was largely privatised and currently is not covered by collective bargaining. Consequently, the rights of clothing industry workers are not sufficiently protected where the **trade unions** do not receive sufficient institutional support in cases where there is a dispute with the employer. The union representatives often complain about the employers limiting workers rights of association, harassment of union activists or making it difficult for the workers to access the union representatives based at the factory (for example, the office of the union is often located in the office section of the factory which is not accessible for the production workers). On the other hand, however, the research conducted indicates that the trade unions are also not without the guilt. In some of the cases union representatives do not protect the workers against exploitation and act in the interest of the employer and not the workers. Mainly, small independent trade unions registered and operating only in one concrete workplace operate this way but the phenomenon is not limited to them. Sometimes it appears that the only objective of some of the union activists is increasing their own employment security.

In the opinion of the respondents the actions undertaken by the **National Labour Inspectorate** are also not sufficient. The interviewed workers complained that employers, who always know about the upcoming inspection in advance, make the necessary 'cosmetic' and temporary improvements. They catch up on necessary paper work or introduce very much needed but, unfortunately, only temporary safety improvements. The fear of loosing employment leads to the employees not reporting their complaints to the Inspectorate. Some of the respondents were also concerned about the level of professionalism of the controls, suggesting that often the inspectors and the employers seem to be too 'friendly'.

#### 8 STANDARDS OF THE CLEAN CLOTHES CAMPAIGN IN THE 10 FACTORIES

#### 1. Forced Labour

The narrowly defined notion of forced labour, as such, was not observed in any of the 10 factories. The workers did not have to leave any documents or money deposits with the employers, they were also not forced to sign any additional documents then those required by law. They can move throughout the factory relatively easily and freely, although their access to the office section is limited, this often means limited access to the trade union representatives, whose offices are located there. The seamstresses complain:

"If I want to do something in human resources I have to explain to the floor supervisor why am I going there".

"You cannot just go to see a friend working in another section".

A significant problem is caused by the **obligatory and compulsory overtime** in the opinion of the interviewed workers they are forms of forced labour which cannot be declined. Declining it can lead to severe consequences including being moved to another, worse paid section, lack of bonuses, bad treatment by the supervisor and even a risk of being dismissed. This is, of course, not allowed by the

regulations focusing on overtime, according to which a worker is not obliged to agree to additional hours of work, and if she agrees to it, she should receive appropriate additional payment for it. An important breach of workers rights is the fact that in many factories the employees are not informed sufficiently in advance about the need to work overtime. Sometimes they find out about longer hours of work on the given day. One of the respondents commented about it like this:

"I'm not sure about it but to my feeling this is forced labour".

#### 2. Child Labour

Child Labour was not observed in any of the 10 factories. Even when the work conditions in a given factory were generally bad, the minors working there (for example, as part of work experience) are working in a protected environment, with all relevant regulations of the Labour Code being observed.

#### 3. Discrimination

Discrimination related to nationality, ethnicity, religion, race, sexual orientation basically does not exist in the 10 factories that this research focused on. Unfortunately, however, it cannot be stated that this is due to tolerance or awareness of the employers or an understanding that such forms of discrimination are not acceptable but rather to the fact that the employees in most of the factories are an extremely homogenous group. Further, since clothing industry is a feminised sector, gender discrimination or at least direct gender discrimination of individuals is very rare.

However, cases of women being asked about their marital status or number of children do happen. Despite the fact that in none of the factories women were requested to provide medical certificates stating that they are not pregnant, on the basis of the responses, it can be evident that pregnant women are not particularly welcomed in the factories. Therefore, the workers usually do not inform the employer about being pregnant, they do not request special treatment that pregnant women are legally entitled to or do not ask to be moved to lighter work or work more suitable for pregnant women (as far as health impacts are concerned). One of the interviewed seamstresses says:

"When a colleague was pregnant, she didn't tell anyone for a long time, despite the fact that she did not feel well. Finally she took sick leave, then she went on maternity leave and after that she did not come back to the firm".

During the interviews, none of the respondents reported cases of sexual harassment. In one of the factories, however, women had to listen to 'suggestive jokes' about male-female relationships told by a male supervisor:

"Some were laughing at them, I was annoyed, but I didn't tell him anything because I was scared. Luckily this man does not work with us anymore".

In some of the companies verbal abuse and psychological harassment take place.

The research did not identify cases of gender discrimination related to promotion in any of the 10 factories. Supervisors are often women. Additionally, in all of the factories the pay for the same work (i.e. for the same work in the same section) is equal regardless of gender, however:

"Men have better earnings because they work in different sections, they are cutters and pressers".

Most of the women work as seamstresses and this position has a lower pay as compared to cutter or presser.

#### 4. Freedom of association and the right to collective bargaining

In half of the factories that this research focused on, there were no trade unions, or any other form of associations of workers, or at least interviewed women were not aware of the existence of such a body:

"I don't know if anything like this exists, I am not interested in it, and I didn't notice any of their activities".

The above statement is particularly concerning. It shows the extent of the problems which will have to be overcame in order to improve the situation of women employed in the clothing industry. Here not only the evident apathy and lack of belief that their situation can be improved demonstrated by this particular worker and shared by others can not be undermined, but also the shocking ineffectiveness of the existing trade unions will have to be addressed.

There is also an optimistic side here: in none of the factories, such a drastic situation as in the company 'Hetman' located in Elblqg was observed. In 'Hetman', after the establishment by the seamstresses of the "Solidarność" trade union, the management implemented group dismissals which included women who initiated the establishment of the union. The dismissals were in breach of the law.

In the majority of companies, however, the workers are not sure if after the establishment of a trade union their employer would not reprimand them. Additionally, they were not convinced that the establishment of the trade union would lead to any marked improvement of their situation:

"What do I need it for, you can get in trouble, and it does not change anything anyway".

This attitude is certainly attributed to the activities undertaken by so called "yellow trade unions"<sup>33</sup>, operating in some of the factories. The 'yellow trade unions' cooperate with the employers and do not fight for the improvement for the observance of work standards. One of the respondents says:

"Ms X doesn't give a stuff, and the leader of the trade union cannot be counted on, because similarly to the company director he does not see any problem".

In one of the factories the interviewed trade union activist stated that unionists are harassed by the management:

"The union cannot organise meetings with the workers, it cannot help anyone, because the only thing which counts is work".

In the same company a factory based union was also operating. This union was favoured by the management which saw it as more loyal and causing fewer difficulties:

"Trade unions always agree with everything that the management wants, our voice does not count".

In 4 factories, strikes and protest took place. Usually, these were brief 'ad hoc strikes', in protest against extending work hours and lack of payments for overtime. In none of the cases force was used against the workers involved. Many workers are starting to believe that more effective method of ensuring that their rights are observed is taking the employer to court than strikes or seeking help from the trade

<sup>&</sup>lt;sup>33</sup> "Yellow trade unions" is a phrase used in Poland to describe the trade unison cooperating with employers even if it is in conflict with interest of the employees. This name was used to describe the trade unions which existed in Poland before the second World Wars and that were associated with right wing, as in contrast to left wing (red) trade unions.

union. It is likely that this is caused by publicity by the media of the successes of workers of diverse companies (not necessary ones producing clothes) in fighting for their rights using legal mechanisms. Despite the fact that so far these were only single cases, it could be suggested that social awareness is changing and that bad treatment of workers should not be accepted or perceived as a normal and unavoidable element of a market economy.

When asked about collective bargaining, the majority of the respondents were not aware if it was applicable in their factory:

"I don't know if we have anything like this".

The seamstresses were generally aware that they have the rights as workers and expressed a belief that these rights are not violated, at the same time however, they were not sure if in the current environment (unemployment, badly functioning legal system etc.) the rights can be effectively protected.

#### 5. Exceeding the agreed working hours

The research showed that in most of the factories the working hours exceed the norm, regulation on overtime is not observed, and overtime is not fully documented. This is one of the main breached standards observed. Out of the 10 factories focused on during this research, only in two were regulations related to work time observed. In those factories seamstresses worked 5 days a week, and 8 hours a day. These, however, were factories carrying the status of protected work places, employing specific groups of workers (for example, disabled persons).

In the remaining factories the employees often work for 10 or 12 hours per day, without agreeing to it earlier. When asked about overtime work, seamstresses say:

"Nobody asks us if we want to work like this".

Additionally as it was already mentioned above, workers do not have an option of declining overtime and often are not informed in advance about the required number of work hours:

"During the season I often don't know what time I will finish work".

In a few factories work was organized in shifts but when there was a lot of orders, shifts were extended. It happens that workers sometimes had to work the whole night. According to the respondents in some instances a working month can include 200 hours of overtime. Additionally, frequently overtime is not associated with additional earnings or leads only to very insignificant additional earnings. The employees also cannot exchange the overtime for time off work, despite the fact that the Labour Code permits it:

"I didn't even try it, because I know what would be their response".

The interviewed seamstresses were aware that during the season they have to work more because this has an impact on the situation of the company that employs them. Simultaneously, they believe that work time above the norm is caused by bad management, as well as the emphasis being placed on achieving the highest possible profit at the lowest price:

The overtime is often not documented. This is caused by the fact that the workers are not paid for it or are not paid according to the Labour Code regulations.

In the majority of the firms work is organised on the base of piece work. Additionally, the workers complain that daily piece quotas are too high (they are estimated on the basis of 10 rather then 8 hours day). As a consequence, workers have to work after hours:

"During the day we are able to complete at the most 60 % of the quota, the rest has to be done after hours".

During the day workers have only one 15-20 minutes break, as a consequence, they are overworked and believe that the break is too short. After using their break they cannot rest at all, even for a brief moment:

"You cannot even rise your eyes from the machine, because you may get told that these are not holidays. When I am tired and want to rest a bit because my back hurts, the boss tells me to return to work, or I will be fired. We work like slaves".

Since taking time off due to illness is not appreciated by the employers, the seamstresses take advantage of the sick leave very infrequently, usually only in the cases of very serious illness. This, however, has a very negative impact on the general health of the entire staff:

"Then we are all sick, because we pass it to each other".

In majority of the companies leisure holidays are granted very infrequently. Some workers have unused leave for 2004 and in some cases even for 2003. It cannot be exchanged for money. Despite the fact that this is an evident breach of Labour Code, it is the reality in many work places. In some cases it is very difficult to get even a single day off:

"You have to explain and beg, you have to have a really serious reason".

In one of the factories, women could not freely choose time of their leave. They are granted it only out of season, when there are no orders.

#### 6. Decent Wage

In all 10 factories, the starting wage is the minima wage. The seamstresses on average earn 800 - 900 PLN (approximately 200-230 euro)<sup>34</sup> net. During the season, when there is a lot of overtime, they can earn up to 1300 PLN (up to 330 euro). There are factories, however, where workers earn as little as 600 PLN (151 euro). Wages are paid in cash. In two of the factories quality and quantity bonuses are also paid, as well as bonuses related to length of service. In one of the factories, the remuneration system was changed to eliminated these bonuses and this lead to earnings of the workers becoming lower.

In all the 10 factories, payments per piece vary from few PLN to 0.5 PLN (0,13 euro) depending on kind of work performed. As it was mentioned before, over-time is usually paid at a very low rate (for example, 1,2 PLN = 0,3 euro per hour) or is not paid at all. Night work usually does not attract additional loading and

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<sup>34 1</sup> euro= 3,97 PLN (23.11.2005).

in one of the factories the seamstresses received for whole night work only additional 8 PLN (2,02 euro). Further, there are usually delays in payment of wages or wages are paid in instalments:

"There is never money for us, while the boss goes on exotic holidays; the owner says that he pays usas much as he can, but he himself has two expensive cars, while he throws only scraps to us, and we do not have enough to feed our children".

It is alarming that the respondents are not completely sure if employers are paying social insurance contributions regularly. In one of the factories, at the time when this research was conducted, an investigation in relation to social security payments was in progress.

The workers also complained that rules, related to the social fund of the company, were unclear to them. Besides two factories, respondents felt that this money is not used as it should be:

"Nobody knows how much money is in it or if there is any money in it at all or how is it really spent".

The workers, particularly those ones who have families, stated that they cannot survive on one wage alone and they would like to earn 500-600 PLN (126-151 euro) more:

"Maybe then I wouldn't have to borrow money all the time, and then it would last till next pay day".

#### 7. Health and Safety

Almost in all the 10 clothing factories that this research focused on conditions of work were bad. Some of the situations were so bad and the workers were so accustomed to it that some of the questions by the researchers made them laugh. This included questions about air-conditioning and masks and ear plugs provided by employers. Only in 3 of the factories did the respondents believe that conditions of work were good:

"We have no reason to complain, there has been some marked improvements, and it is meant to get even better soon".

In the other factories the respondents complained about the temperature, stating that in summer it is very hot and stuffy on the production floors. While in winter in is so cold that:

"Your hands become numb, a colleague who sits by the window in winter works in scarf and coat".

The low temperature is not only caused by the fact that the factories try to save money on heating but also that due to the bad condition of many of the buildings, windows and doors do not provide sufficient insulation. One of the factories had holes in the roof so during the rain a lot of water leaked on the production floor.

In the summer, when the weather is hot and the temperature exceeded 30 degrees, lack of the ventilation made breathing very difficult:

"We sit only with our bras on, we bring fans from home but still it does not help much".

The seamstresses complain about the noise on the production floors, where after few hours of work they loose their hearing:

"After a day of work I cannot hear anything, we go to on our break and yell at each other".

Often the workers are not provided with work clothing when they need it. Lack of ergonomic chairs and appropriate arrangement of work stations is a very significant problem:

"Sometimes my back starts to hurt straight away, while there is whole day of work ahead of me".

In one of the factories there was so little space that workers had to sit very close to each other:

"You really have to be careful not to interrupt the colleague working next to you".

Some of the factories are dirty and pest infested, have sticking toilets with no toilet paper, soap or towels. Additionally, factories often lack appropriate changing rooms and showers. In one of the factories the workers were reminded to make sure that they do not spend too much time in the toilets. Not all the respondents were sure if their factories have emergency exits or where they are located.

It is possible to access medical assistance in the factories but in most of the cases it is very limited. At this point it needs to be highlighted that the factory which was a protected work place had well equipped work based medical clinic.

Feeling unwell or having small work accidents is usually trivialised. The workers are discouraged from visiting a doctor; it is also very difficult to get time off work in order to go for specialized medical tests. The employers do not want workers to report work place accidents to the insurance company. The most common work place injuries include: bruising, finger injuries caused sawing machines, cuts and burns. Some of the injuries are caused by faulty equipment but also by the fatigue or lack of the sufficient training. Some of the accidents are caused by carelessness of the workers.

Emotional harassment is a significant problem. The workers are bussed and sworn at. When an employee makes a mistake she is often yelled at, at front of other workers, being accused of stupidity, and lacking the required skills. Being constantly reminded of the possibility of loosing work, and that 'there is lots of people happy to take your place' is ever-present element of work in the clothing factory. This awareness of lack of work security has been highlighted during the interviews. The data gathered during the interviews indicated that fear of loosing work discourages employees from undertaking group or individual actions aimed at improving their work conditions. The interviewed women highlighted the fact that sometimes they feel:

"Worse then nothing".

#### 8. Right to safe and legal employment

Majority of interviewed workers have a permanent work contract (for unspecified period of time or long term contract for a specified but extensive period. Simultaneously, quite frequently the women are employed on the part time basis (which means that the employer pays only social security payments required for the part time worker) but they work eight hours a day (full time). None of the interviewed workers was employed informally to work but the respondents were not sure if all of the employees in their factory work were there legally. It can be assumed that workers who were not formally employed would not agree to participate in this research:

"Even if there is someone like that, they would not brag about it".

New employees first go through a three month trial period. Social security contributions often are not paid by the employers on time and some of the firms are behind in payments. The workers are commonly not aware of it, and find out about it only after more thorough inspection.

#### 10. CONCLUSIONS

The research conducted by KARAT Coalition and Clean Cloth Campaign, including the current project focusing on 10 factories, as well as the previous one carried out in 2004, show that the scale of workers rights' violations is frightening. It appears that as far as the 8 CCC social standards, examined during the research are concerned (free choice of employment, prohibition of discrimination in employment, prohibition of child labour, freedom of association and the right to collective bargaining, prohibition of exceeding agreed work hours, right to a decent wage, safe and legal employment, and a safe and healthy working environment) only one, the prohibition of child labour, is fully respected.

What is an additional cause for concern is that while this research was conducted in selected factories producing for the foreign brands, it is likely that the situation of seamstresses working for small factories, producing for the Polish market is not better or possibly even worse.

Clothing production as a feminized branch of industry was adversely effected by the economic transition in more than one way. Subsequent governments "forgot" about the seamstresses who, in contrast to miners for example, were not able to organize large and aggressive protests to effectively fight for their rights. Moreover, almost all clothing factories were privatized and women employed there were either fired or had to accept the new and usually worse conditions imposed by the new owners. The new working conditions were based on the stereotypes and values associated with early capitalism (so called "wild capitalism") which dominated Eastern and Central European countries during the transition period.

This form of capitalism is associated with an insufficient experience of democracy and characterized by a lack of respect for the individual (particularly those who are financially disadvantaged), insufficient protection of workers rights, in particular, and human rights in general. The breaches of work standards are justified by an opinion that "this is how it is in capitalism", that workers rights are anachronisms of the previous system, and that a company which respects workers rights will not be successful on the market. Consequently, for a long time workers rights have been considered a "luxury" which most employers cannot afford, with the idea of economic liberalism being interpreted as freedom from obligations towards employees. Additionally, the very high unemployment rate in Poland does not motivate the employers to improve the workers' situation, as they are convinced that they will always find some other workers who will accept insufficient work standards.

The breaches of work standards described in this report are also a result of the deterioration of the economic conditions of the clothing industry in Poland caused by the competition from China as well as the second hand clothing shops which appeared on the Polish market in the 90s. Many clothing companies producing in Poland face the threat of bankruptcy. In order to survive on the market they need to lower the costs of production. In order to achieve this they usually decide to cut the costs of work, such as wages and social benefits associated with employment. Additionally, the producers accept orders which significantly exceed their production capacity which means that workers are forced to work overtime, often without additional pay. It can be said that the situation in many of Polish clothing factories today is reminiscent of those operating under the 19th century capitalism.

What we would like to argue, however, is that violation of workers rights cannot be justified by the difficult financial situation of the clothing industry or the ideology and values related to "wild" capitalism, and that various mechanisms have to be introduced to change the situation; one of them is strengthening the ability of workers to fight for their rights. Unfortunately, the research results show that the employees of the clothing factories do not receive sufficient support from trade unions. While it is impossible to prevent the creation of the small trade unions which cooperate with employers against the interest of the workers, it is hard to comprehend the passivity of the activists from two biggest trade unions: OPZZ and NSZZ Solidarność. The unwillingness of trade unions to support workers was also illustrated by the fact that the trade unions' activists contacted by the researchers usually expressed only slight or no interest in helping to contact seamstress which could be interviewed. Some of them declined to provide any help when they found out that the research will be conduced without the knowledge of the employers. Further, the women who did participate in the research complained about very limited activity of the trade unions and were skeptical about the ability of trade unions to improve their situation. On a positive note, it was observed that in the factories where the trade unions are active, even when they are not very successful in securing better work conditions for the workers, the awareness that they are trying to defend workers rights alone is an important motivation for the employees to undertake further efforts aimed at improving their situation (e.g. Contacting the Labour Inspectorate or starting legal proceedings).

Another window of opportunity, for example, for improving the observance of work standards in clothing factories located in Poland, is connected to the fact that many companies are increasingly using the concept of corporate social responsibility in their PR campaigns. Various producers receive awards for the ethical behavior towards clients, competitors or employees. Further, the research 'Attitudes towards corporate social responsibility in Poland' conducted in 2003 by the Foundation for Social Communication showed that Poles assess the company by taking into account the quality of its products, and the way it treats its partners and workers. They also pay attention to the quality of the assistance and information provided to clients<sup>35</sup>. At the same time, however, the research conducted by KARAT and CCC (both in 2005 and 2004) in the companies which were awarded for their treatment of workers indicated that working conditions in some factories that received awards are very bad and workers complain about violation of their rights.

Lack of trust in the effectiveness of the Labour Inspectorate is also a crucial problem as far as protection of workers rights is concerned. During the interviews many workers claimed that they are afraid to report breaches of their rights to the Labour Inspectorate because they believe this could lead to various repressions by the employers including being dismissed. In some cases they were questioning the sense of inspections carried out by Labour Inspectorate because:

"The inspector does not even have a look at the halls, he is just having coffee in the boss's office and leaves...".

When the researchers offered to help workers contact the Labour Inspectorate the seamstresses were not interested and they asked that the information provided be used for the research purposes only. Some also explained that they are afraid of not only loosing their jobs but also of the future of their

<sup>&</sup>lt;sup>35</sup> G. Rakowicz, Liczy się jakość produktów. Społeczna odpowiedzialność biznesu, "Rzeczpospolita" 19.11.2003

#### What needs to be done:

The results of the research must be used in effective activities aimed at helping women. The clothing industry workers that were interviewed emphasized the fact that they do not see any concrete benefits from their participation in the research. Unfortunately, the researchers were not able to guarantee that their participation in the research will immediately improve their situation, other than helping them to contact the Labour Inspectorate as mentioned above. Unfortunately, in Poland there are not many mechanisms for targeting the companies which violate workers rights. This is particularly true if the objective is a significant change in the entire clothing industry rather than in just single factory.

Despite the outcomes of research already mentioned, which was conducted by the Foundation for Social Communication, the consumers' awareness on the working standards in clothing factories is still very limited. Additionally, for Polish consumers the price of the product is the most important consideration when making purchasing decisions. It is much less important whether the producer of the product respects working standards or not.

Additionally, despite the fact that NGOs have access to reliable analysis of the situation of workers in clothing factories, they are not able to confront any producers with the data or provide the media with such information. This is due to the lack of the financial resources which would be needed in case an accused company would take an NGO to court. Further, disclosing the names of factories, where the violations of the workers rights were observed, to the media could have a negative impact on their employees who in most cases had to be assured that nobody will find out that they participated in the research. The respondents believed that they could be reprimanded for their participation in the research. The seamstresses could also be adversely effected by inspections in the factories which would be the likely result of media intervention as it could lead to closing of factories. This for many workers would mean temporary or permanent loss of employment.

Moreover, the research conducted shows that existing mechanisms aimed at protecting workers rights such as the activities of the Labour Inspectorate or trade unions appear to be inefficient. In the opinion of seamstresses who were interviewed, these institutions do not fulfill their tasks as they often act against the interest of the workers.

It seems that the most effective manner of improving the situation of workers would be:

**Further research.** The research outcomes presented in this report strongly indicate the need for further monitoring of the observance of work standards in clothing factories. The data gathered in 2004 and 2005 in 14 factories are only a small sample in the light of the fact that in Poland there are 44 000 producers of clothing. More representative data would make it difficult to ignore the need to improve the situation in the industry.

**Building a broad Polish coalition** of various stake holders (including trade unions, NGOs, academics, consumer organizations and individuals) who would join their efforts and engage diverse methods to ensure the observance of worker's rights within clothing industry. This coalition should closely cooperate with Clean Clothes Campaign operating in 11 European countries. It would be extremely beneficial for the Polish workers to make links with similar initiatives in the countries of Central and Eastern Europe, including undertaking joint actions. This would prevent producers forced to observe workers rights in Poland from simply moving to another country where mechanisms ensuring the observance of workers rights are weaker.