Developing and strengthening links between workers from Asia and Europe, working along the subcontracting chain of garment production, is the main objective of the ExChains project. These links are vital to the global fight against the exploitation of workers and for the eradication of poverty.

In the ExChains project, TIE (Transnationals Information Exchange) is collaborating with three regional unions:

- Free Trade Zones and General Services Employees Union (FTZ&GSEU, Sri Lanka)
- National Garment Workers Federation (NGWF, Bangladesh)
- Vereinte Dienstleistungsgewerkschaft (ver.di, Germany)

We want:

- to raise awareness concerning the international production chain in the textile, garment and retail sector;
- to establish concrete solidarity between workers along the supply chain;
- to support freedom of association and the right to organise;
- to support concrete campaigns;
- to pressure big retail companies to name their suppliers and to support the right to organise at their suppliers.

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Workers’ exchange between Germany and Bangladesh

In November 2011 a group of German works council members in garment retail (Zara, H&M, real/Metro) traveled to Bangladesh. The journey was part of the ExChains project. The group was accompanied by Johann Roesch (ver.di union, national level commerce sector) and Heiner Köhnen (TIE). The trip was designed to enable a direct encounter with the working and living conditions of the workers who make the clothes that we are buying and selling in Germany on a daily basis.

“We were ready to face disturbing impressions, but the reality we met exceeded our anticipations by far”, this is how Johann Roesch resumes the group’s insights into the working conditions in Bangladesh’s garment industry. Workers have to cope with never-ending working hours on six or even seven days a week. They are under permanent pressure to reach excessive production targets. The “ordinary conditions” in the factories are heavily burdensome: sticky heat, the air loaded with pollutants and filled with the deafening sound of machines. For exposing herself to this torture each and every day, the legal minimum wage for a helper is 3.000 taka, equalling just under 29 Euro a month; skilled machine operators can make up to 4.200 taka, a mere 40 Euro.

For a little “room”, actually rather resembling a parcelled shed of 10 to 14 square metres, in a building that looks like a corrugated sheet box, a helper would have to spend her complete monthly wage. This would leave her nothing to live on, so the workers must share one such room with their families or with co-workers. The building that was visited by the German group, housed a total of 140 people. They all had to share one “kitchen” and one “bathroom” – “kitchen” designating an open space with 8 hot plates, and “bathroom” a room with washing facility and one single toilet.

The German group’s exchange trip included meeting garment factory workers and NGWF union activists. They visited several H&M, Zara and Metro supplier factories, and...
they met H&M and Metro CSR staff and monitoring personnel. The ex-
change programme was jointly organ-
ised by the labour network Transnation-
als Information Exchange (TIE Germa-
ny), the local union National Garment
Workers Federation (NGWF), and the
German union federation Vereinte
Dienstleistungsgewerkschaft (ver.di).

Support by the German union fe-
deration Deutscher Gewerkschaftsbund
(DGB Bund) also enabled us to realise
a joint seminar on Occupational Health
and Safety. During this seminar, the
participating workers from Germany
and Bangladesh formulated a number
of locally specific problems, but also a
surprising number of “cross-continen-
tally” similar problems concerning their
working conditions and environments.
Workers here and there are confronted
with numerous health problems (f.i.
stress related complaints such as over-
strain, fatigue, headaches, anxiety, but
also digestive problems and muscu-
loskeletal disorders), which have al-
ready turned into chronic condition in
many cases, caused by infavourable
working conditions and environments.

All parties involved in the exchange
visit to Bangladesh finally agreed on
planning a joint long term campaign
between Bangladesh and Germany,
aiming at the promotion of three central
demands facing the large, internatio-
nally operating corporations in garment
retail:

1. Transparency and Opening the
List of Suppliers

The multinational companies who
 dominate the garments markets in the
major consumer countries, must open
their list of suppliers. This is a prerequi-
site for unions and workers to be able
to publicly disclose and survey working
conditions.

2. Higher Wages through higher
piece prices for suppliers

➤ Existing minimum wages in Bangla-
desh are scandalous and unacceptable.

Minimum wages in Bangladeshi gar-
ment factories have been newly fixed in
2010, at 3.000 taka (just under 29 Euro)
for simple helpers up to 4.200 taka
(40 Euro) for seamstresses in the high-
est grade and for simple jobs on the
machines. These wages are a scandal!
No one can live on them decently, not
even in Bangladesh. With them, work-
ers can hardly cover their rent expens-
es (see above: rent and housing condi-
tions). But even though they are shar-
ing small rooms in large numbers: In
order to be able to feed and dress
themselves, let alone raise children and
care for elderly relatives, workers are
forced to work a virtually infinite
number of “voluntary” overtime hours.

This means that giant garment re-
tailers such as H&M, Zara (Inditex) and
Metro are making profits on the general
conditions of exploitation and misery. It
also means they are indirectly respon-
sible for child labour, because even
though there may be no children work-
ing in the large retailers’ direct supplier
factories, many parents are still forced
to send their children to work. Not
carelessness, but existential poverty
and distress forces mothers and fa-
thers to accept that their children go to work on a regular basis in order be able to contribute to the family’s bare survival.

➤ The companies in the production countries must pay a living wage, or at least higher wages

The multinational corporations of garment retail like to advertise their products as being “clean” clothes, produced in compliance with key social (and environmental) standards. Consequently, we call on these corporations to seriously commit themselves to support the payment of a living wage to workers employed at their suppliers’ factories.

The concept of a “living wage” means that
✓ workers can cover basic needs such as housing, energy, food, clothing, health and social insurance, education, clean drinking water, childcare and transport;
✓ workers can finance additional expenses for entertainment, holidays, old age pensions, life insurance etc.;
✓ expenses for dependent family members are included;
✓ this wage is being paid for regular working hours (excluding overtime hours); and
✓ this wage is being raised in accord with the costs of living.

H&M, for instance, generally agreed with the demand for a living wage in its CSR report of 2003, but then declined to include a living wage in its Code of Conduct “for practical reasons”, mainly the problem to calculate the amount of a living wage. Even if H&M suggested a mode of calculation, they argued, other buyers might go for different modes of calculation, while the legal minimum wage was decided by the government and could not be disputed by suppliers or other buyers. They resume: “We agree that the legal minimum wage in many countries, such as Bangladesh, is too low and we would welcome a raise. It should however be a government decision.” (H&M CSR report 2003, p. 46)

We state: This kind of position is not acceptable, because one of the world’s major buying companies pretends to be ignorant of its own de facto power, including its de facto responsibility for workers and conditions in the economies of their supplying countries.

➤ Major buyers (garment brands and retail corporations) must pay higher unit prices for garments in order to enable the payment of higher wages

Therefore, we are asking retail companies to pay higher unit prices to their suppliers in order to enable higher wages for the workers. The following mechanism might be used to make sure that higher unit prices do in fact result in higher wages: Buyer and supplier negotiate a competitive price. Additionally, they agree on a wage bonus which is being passed on to the workers directly. The supplier company should contribute to this bonus.

An exemplary calculation for an H&M supplier factory in Bangladesh: 750 workers produce 300,000 pieces of garment a month for H&M. If each worker’s wage was increased by 50 Euro a month, the garments would cost an additional 37,500 Euro in total, increasing the unit price by 0,12 Euro.

➤ Workers must receive the total of this extra payment as a bonus incre-
as their wages. This must be controlled, and local unions must be part of the control mechanism.

3. Access Rights to Supplier Factories for Labour Unions

Local unions in the supplier countries are playing a key role in the struggle for improved working conditions and a life in dignity for workers and their families. Only by organising in independent, democratic unions of their own choice, workers themselves can bring about a change in their situation and fight for their rights and entitlements.

Workers in Bangladesh are entitled to the freedom of association and the right to organise according to national labour law. In fact, they are being prevented from exerting these rights by factory managements on a regular basis. If workers’ legal rights shall become de facto rights, labour unions must be granted access to the workers in the factories. Therefore, we are asking major buyers and retail companies to include union access rights to the factories in their codes of conduct, and to implement them with their suppliers.

Unions must be enabled to regularly meet workers in their workplaces and inform them about their rights and about possibilities of union organising.

In the frame of the ExChains project, retail workers, ver.di union, the NGWF, and TIE Germany are asking for implementation of these demands, in order to enable union organising and higher wages for workers in the supplier countries.