

Welcome to our conference !

"Strengthening industrial relations and improving wages in South-East European garment and footwear industries"

„Укрепване на трудовите отношения и подобряване на заплащането в текстилната и обувната промишленост в страните от Югоизточна Европа"

Sofia, 12-13 November 2019



Strengthening industrial relations and improving wages in South-East European garment and footwear industries

From research to action on organising and collective bargaining – the project so far

Sofia, 12-13 November 2019



New focus on TCLF industries in Southeast Europe

- Low wages, long working hours, poor working conditions
- Few collective agreements
- Poor industrial relations systems
- Big informal sector
- Growth opportunities but lack of workforce
- Continuous brand image risk



- Time for a change!



EU Commission approved 2-year project 2018-19

- Start: mapping of union situation and brand presence
 - Special focus on GFA and ACT brands
- Six national seminars
 - Bulgaria-Romania-Serbia-Croatia-Macedonia-Albania
 - Analyse findings and discuss game-changing strategies
 - Training on organising, CBAs, GFAs, ACT philosophy
 - Interaction with brands, employer associations, governments, NGOs
- National level follow-up
- Project conference in November 2019
- Implementation continues in coming years



Expected results of the 2-year project and beyond

- More union members through **organising**
- **Bigger and stronger unions**, capable of serving members
- Rebuild **collective bargaining** at national level
- Increase CBAs at company level
- Trained union representatives, capable of organising, bargaining and solving problems
- Strengthen interaction with **governments**
- **Improve the image** of industry to **ensure workforce**
- Path towards **living wages** – build mechanisms: brand cooperation, minimum wage increases, CBAs



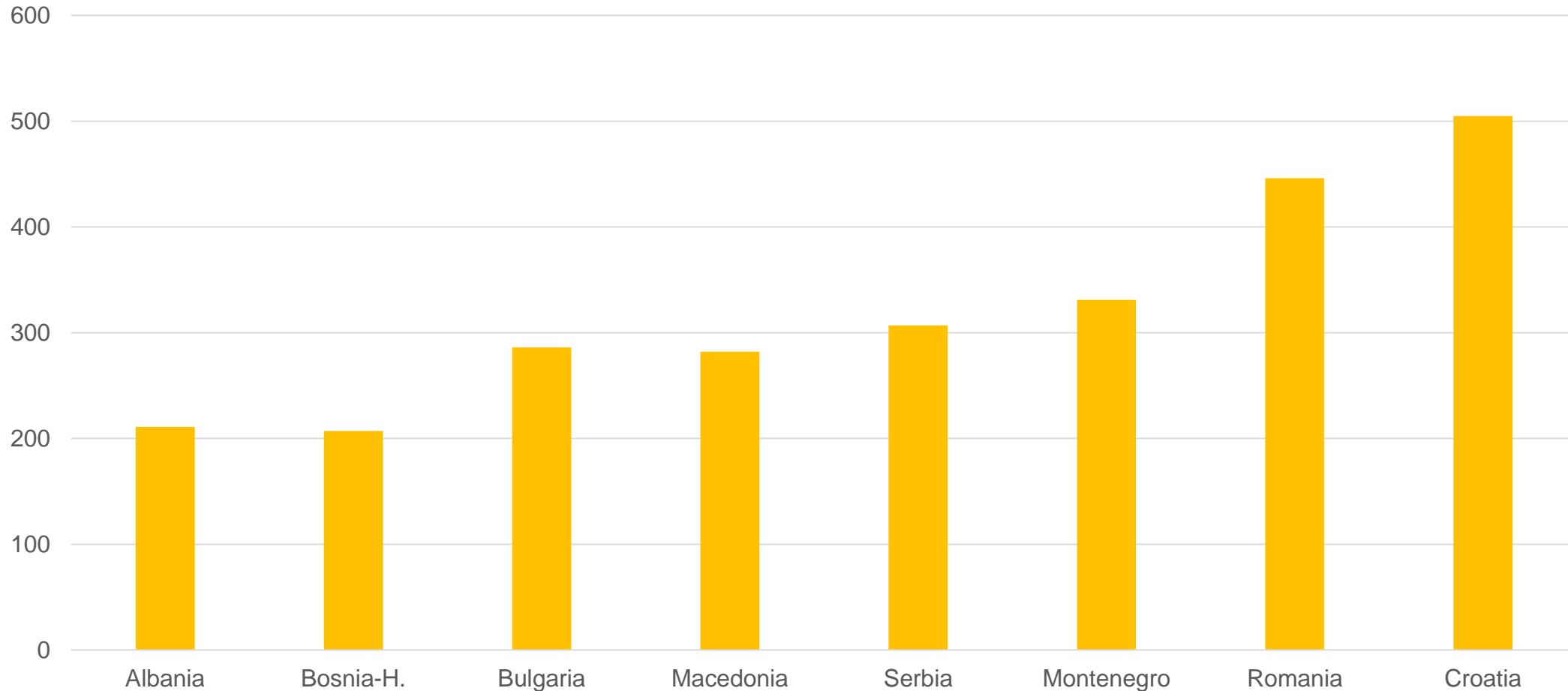
TCLF industries in Southeast Europe: Results of first mapping

- 600,000+ workers
 - Romania 250,000 – Bulgaria 100,000 – Albania 90,000 – Serbia 60,000
- Average wages often lower than in China
 - 2018: Albania 200 – Bulgaria 320 – Serbia 350 – China 450 €/month
- Low unionisation rates
 - Romania 3% - Bulgaria 5%
- Only sectoral CBAs: North Macedonia
- Long working hours
- Big informal sector
- Major fashion brands present



Minimum gross wages 2019 in South East Europe (€/month)

- TCLF workers do not earn much more



Biggest brands in Southeast Europe: Results of mapping

- Inditex, Spain 151 supplier factories, 29,000 workers
- ASOS, UK 109 factories, 12,500 workers
- Benetton, Italy 81 factories
- H&M, Sweden 71 factories
- C&A, Belgium 53 factories
- Esprit, Germany 21 factories
- Hugo Boss, Germany 19 factories
- Calzedonia - Max Mara - Armani, Italy
- Boxmark - Wollsdorf - Paul Green, Austria
- Adidas - Gerry Weber - s.Oliver, Germany
- Decathlon - Pierre Cardin, France
- Fair Wear Foundation (FWF) members: 141 factories



Next steps after preliminary mapping

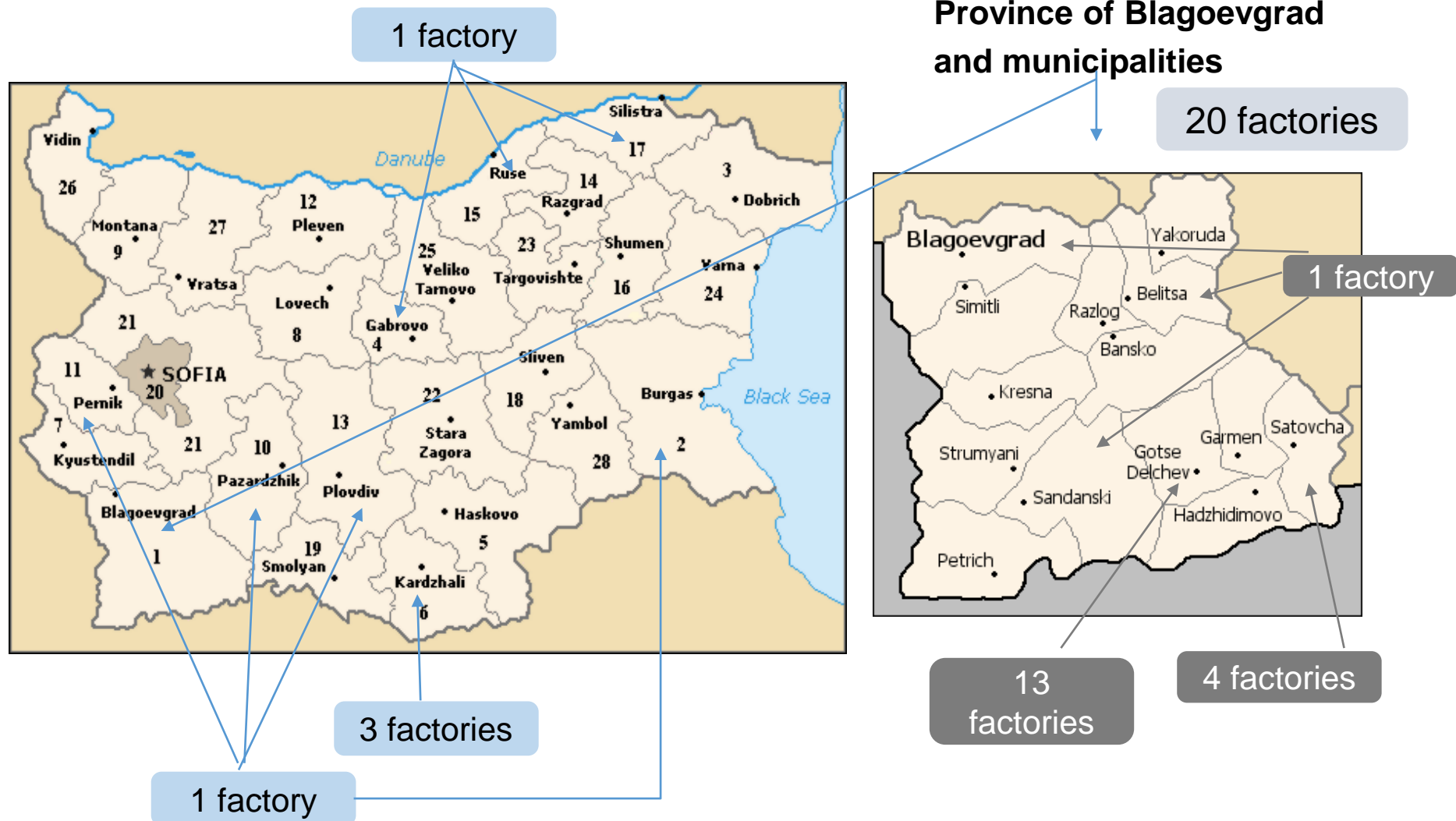
- Contacts with **leading fashion brands** sourcing from SEE countries
 - **Inditex-H&M-ASOS-Esprit** confirmed their cooperation, now also **Benetton**
 - Support for industry-level CBAs (ACT philosophy)
- Full cooperation agreed between industriAll Europe and IndustriALL Global Union
- Commitment of support from **Western European unions**
 - Sweden (H&M), Spain (Inditex), Austria (Boxmark), Italy (Benetton) Germany, Netherlands, Belgium
- Detailed **mapping of regions and factories** country by country
- Continue talks with **industry/employer associations**
 - Prepare ground for expanded collective bargaining and social dialogue
- Attitude of European institutions is changing on collective bargaining
 - Link to industriAll Europe's campaign



Example of detailed mapping
of regions and factories /
Anne-Marie Mureau

H&M – Bulgaria

30 factories in 9 provinces/Oblast



National seminars and follow-up

- Six **national seminars** held

Sofia, Bulgaria 13-15 November 2018

Bucharest, Romania 22-24 January 2019

Skopje, Macedonia 12-13 March 2019

Zagreb, Croatia 3-4 December 2018

Belgrade, Serbia 13-14 February 2019

Tirana, Albania 27-28 March 2019

(+ Sarajevo, Bosnia-Hercegovina 16 – 17 October 2019)

- National leaders and 120 local union representatives

- Contents

- **Training on organising**, use of GFAs and ACT philosophy
- Analyse **detailed mappings** and launch work on **organising plans**
- Exchange with industry/employer associations, fashion brands, governments, NGOs
- Follow-up action in each country: organising plans and actions
- Project conference in Sofia, 12-13 November 2019
- Work continues in the coming years



First results

- More than **6,500 new members** organised in 2018-19:
 - Albania 2122 (Light Industry Workers-KSSH, SPILT-BSPSH)
 - Bulgaria 522 (FOSIL-CITUB, FLI-Podkrepa)
 - Croatia 259 (TOKG)
 - N Macedonia 458 (STKC)
 - Romania 200 (Uniconf, Confpeltex, IndustriAll-BNS)
 - Serbia 3016 (STKOS, IER Nezavisnost, ISS)
- **36 new company level CBAs**
- Talks launched on **sectoral CBAs** in Albania, Bulgaria and Croatia
- Problems with job losses and fee collection
- Organising still needs to become more strategic



Some thoughts about a better future

- Textile unions need more resources, organising skills, better image
 - Make **organising** a **priority**
 - Allocate **resources**
 - Need mergers into **industrial unions** (like IER Nezavisnost in Serbia)
 - **Training on organising** in the regions
 - Grow **local organisers**
- Invest in **rebuilding sectoral collective bargaining**
 - Industry/employer associations have made positive comments
 - Need creative solutions to circumvent high legal thresholds and poor representativity - multi-employer CBAs? (idea from Romanian unions)
- Keep momentum on **minimum wage increases**
- Profound change will take years – but action has been launched!

Expected outcomes of Sofia conference

- **Update on strategies and action** on organising and collective bargaining
 - Progress reports from project countries (and Bosnia-Herzegovina)
- Agree on continued **cooperation** with industry/employer associations and fashion brands
 - What next steps will we take on **rebuilding sectoral collective bargaining** and towards **living wages**?
- **Continue organising and collective bargaining action in 2020**
 - What is expected from participating unions?
 - What support is needed from industriAll Europe, IndustriALL Global Union?
 - How can we build practical solidarity between “brand-unions” (Western – Europe) and “supplier-unions” (South-East Europe)