

Clean Clothes

**Newsletter no. 19
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- 08 What to Do about the Informal Economy?**
- 12 Complaint Mechanisms Explained**
- 16 CCCommunities Push Local Governments across Europe**
- 20 Bangladeshi Workers Buried Alive in Factory Collapse**



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Editorial

As this edition of the newsletter was going to press many of the workers who survived the April collapse of the Spectrum factory in Bangladesh and the families of those who died were still without money, food, and housing. They were left in the lurch by their employers and by the companies whose garments they were producing, many of which claim to respect good labour standards where their garments are made. The magnitude of this tragedy is immense - the horrifying way in which the Spectrum workers died, the sheer number of dead and injured, and the impact of subsequent joblessness on the workers and their families. Once confronted with the details of the collapse the failure of Spectrum's European clients to take timely and decisive action to meet their supply workers' needs can only be considered a travesty of corporate social responsibility. Governmental indifference to the fate of the workers and the need for sweeping changes in the sector, particularly in relation to health and safety issues, compounds the problems at hand. The reality of the Spectrum workers demonstrates again how much more needs to be done to improve conditions in the global garment industry, and to improve the systems intended to facilitate that process.



Dozens of workers were killed at the Spectrum factory, Bangladesh, see story page 20.

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

rates with organisations all over the world, especially self-organised groups of garment workers (including workers in factories of all sizes, homeworkers, and migrant workers without valid working papers).

Many of the Clean Clothes Campaigns in Europe have taken up the case of the Spectrum workers and will continue to push for their demands to be met (for more on this case, please see page 20). This is an example of the CCC's urgent appeals work; news on other recent urgent cases that the CCC has taken up is included inside. We urge readers to regularly visit the urgent appeals section of the CCC website (<http://www.cleanclothes.org/appeals.htm>) for news on urgent cases - suggestions for action that can be taken are always included and provide a clear way for people to demonstrate their support of garment workers' rights.

This edition of the newsletter features an article about complaint mechanisms - systems set up to raise workers' grievances with the companies and initiatives that are intended to address problems in the sector. A commitment to better developing complaint mechanisms, and then following up in a timely fashion the plans to solve the problems that are reported, is one way that companies can take positive action to make real their promises on respecting workers' rights. A functioning complaint and remediation system can have the potential to better address some of urgent cases and get justice for garment workers.

This edition of the newsletter also includes reports on other activities underway at the various CCCs, including the many initiatives to get communities to commit to being responsible consumers. With work moving forward on Clean Clothes Communities, the CCC hopes that local governments will use their purchasing power to push for better working conditions where their garments (things like police and fire department uniforms) are produced.



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News from the CCCs

French CCC Pressures Retailers

Since 2004, the French CCC coalition, Collectif de l'Éthique sur l'Étiquette, has been stepping up pressure on the big French sports retailers and supermarkets. Their targets include the big supermarket chain Carrefour, along with Auchan, Decathlon, Leclerc, Go Sport and Intersport.

Last year, a "barometer" was published ranking 16 French companies according to their management of social quality in their supply chains. All were found seriously lacking compared with the big three international brands Nike, Reebok and adidas.

Pressure continued through a booklet called "Entreprises et Qualité Sociale 2004" ("Companies and Social Quality 2004") which delivered an in-depth analysis of social quality management by the retailers. Meanwhile 122 local CCC coalitions, which involve consumer groups and trade unions, organised over 330 events across the country and there was a demonstration in front of the Eiffel Tower in Paris in June. Some 110,000 postcards were sent to the main sports retailers. Huge press and TV coverage was won for the campaign.

In the second phase, beginning in early 2005, the focus has narrowed on the six big retailers. In "Jouez le Jeu!" or "Play the Game!", as the campaign is called, at least 43 local CCC coalitions have asked for meetings with the managers of 144 supermarket/retailer branches across the country to discuss their social quality management. So far, 26 have agreed. Auchan and Go Sport are proving to be much more open than, for example, Decathlon.

A thousand guidance manuals for activists have been sent out, along with 3,500 posters, 50,000 campaigning leaflets, 500 education/training panels and 48,000 stickers. The French campaigners are finding that the campaign is generating significant coverage in the local press and media.



"Jouez le Jeu!" campaign materials can be found at:
www.ethique-sur-etiquette.org



**COALITION
DE L'ÉTHIQUE
SUR
L'ÉTIQUETTE**

JOUEZ LE JEU

POUR LE RESPECT
DES DROITS DE L'HOMME
AU TRAVAIL DANS
L'INDUSTRIE DU SPORT

www.ethique-sur-etiquette.org

Tchibo Campaign Continues in Germany

Tchibo is a well-known German coffee retailer that has expanded into a wide range of goods including clothing through its own shops, other supermarkets and mail-order. It is now the 8th largest retailer in Germany and has opened shops in Austria, Switzerland, the Netherlands and the UK. It is privately owned by the Hertz family who, with an interesting policy of trying to look small while actually being big, have so far been resistant to accepting their social responsibilities.

The German CCC (Kampagne für "Saubere" Kleidung) faced disappointment when talks in September 2004 with Tchibo had no satisfactory outcome, and a further meeting in January 2005 was cancelled by the company at short notice. However, Tchibo has recently appointed an officer for social affairs and asked the CCC to start talks again.

At issue are labour rights violations in Tchibo's supplier factories in Bangladesh. A CCC-commissioned study found workers being fired for trying to join a union or just to organise themselves, below legal minimum wages, wages being paid up to three months late, no employment contracts, and other problems.

CCC groups undertook street actions in October in Hamburg and pre-Christmas street theatre in Berlin. The study was summarised in a booklet "Tchibo - Jede Woche eine neue Welt? Nicht für die Textilarbeiterinnen in Bangladesch!" ("Tchibo - Each week a new World? Not for the Garment Workers in Bangladesh!" - the title being a play on a key Tchibo slogan). Public discussion panels were held. Though invited, Tchibo never showed up, but importers working for them did. A flyer and postcard campaign followed, and the Hamburg CCC group is holding a theatre workshop in mid-June where they will develop more street actions and ideas for the campaign. Recently, the Austrian CCC has joined in the campaign on Tchibo.

Meanwhile, the German CCC took up the case of one Bangladeshi Tchibo supplier factory, Urmi Garments, where forty workers had been fired when management heard they belonged to a union. Three women went to court to ask for the legal three months' redundancy pay and, though it took a year, they won.



German CCCers engage in street theatre in Hamburg to draw attention to Tchibo's failure to support workers' rights.



German Consumer Affairs Minister Renate Künast (left) praised Hess Natur's decision to join the Fair Wear Foundation.

Pilot Project with Hess Natur

A pilot project has been running since July 2003 between Hess Natur, the biggest mail order company in Germany that sells clothing made out of natural (including organic) fibres, and the German CCC. The aim of the project was to develop and test a transparent verification system that is applicable also for smaller and medium-sized companies. It was tested at Hess Natur suppliers in Germany, Poland and Latvia.

On April 28, 2005, the results were presented at a press conference together with the German Minister for Consumers. The German CCC regards the outcomes as very positive. The company has accepted all labour standards of the CCC Model Code, and has become the first one from Germany to join the Fair Wear Foundation (FWF). A multi-stakeholder group has been formed in Germany to cooperate with the FWF. Members are the IG Metall trade union (that has merged with the former textile workers' union), the CCC Germany, and Hess Natur.



Wal-Mart the Worst, According to Public Eye

Every year in January, the World Economic Forum (WEF) gathers together business leaders, politicians and the world's media in Davos, Switzerland, to set the trends for future development of global business. And, every year, the international NGO coalition "Public Eye on Davos" is present at the same time and place as the WEF with an alternative event.

The highlight of the 2005 "Public Eye" was an award ceremony for WEF corporate members and other companies who have excelled in socially and environmentally irresponsible behaviour. Awards were given in the categories of human rights, environment, labour rights, and taxes. Eventual winners included Dow Chemical Company, Royal Dutch/Shell Group, KPMG International and Nestlé.

Winner in the labour law category was the giant US retailer Wal-Mart, which had been nominated by the CCC for refusing to assume any kind of responsibility for working conditions in its clothes supply factories outside the US. In Lesotho, Kenya and Thailand, Wal-Mart has ignored requests for an improvement in working conditions that include excessive compulsory overtime and wages below the subsistence level.

Aisha Bahadur of the Civil Society Research and Support Collective in South Africa presented the case against the company, in a speech entitled "Wal-Mart: Menace to Social and Labour Standards Worldwide". The company did not respond to an invitation to attend. However, international press and media did, and there was significant coverage in the Swiss newspapers.

Other garment companies nominated for the Public Eye Award were: North Sails, GST, and Boards and More (nominated by CCC), Stallion Garments (nominated by the Maru Malarchi Labour Front from India), and Tchibo (nominated by the German CCC).

Public awareness work was also done by some of the CCC partners who sent out invitation cards to the awards ceremony and distributed a Public Eye Awards poster that gave details of all the nominations the reverse side.



For more information on Public Eye on Davos and the 2005 award, including the CCC case against Wal-Mart, see the Berne Declaration website at: <http://www.evb.ch>



Frequently Asked Questions

Why isn't there a Clean Clothes Campaign label?

We can only put a label on a garment if we are 100% sure that the garment or shoe is made in good working conditions.

Before we can start labelling, we first need to be sure that the company concerned has all the basic labour standards included in its code of conduct, that these standards are implemented in a way that benefits workers, and that there is a credible organisation, not controlled by the company itself, which verifies if this is really happening.

Only then can we "label" a company as producing "Clean Clothes", and even then it will be complicated to put a label on a garment claiming this. First of all, it would have to be possible to trace an individual garment, say a shirt, to an individual factory. Up to now, this isn't possible globally. Secondly, violations can occur very suddenly - in any individual factory. So, it is not possible to be entirely sure that the particular shirt you want to buy is perfectly "clean".

The CCC believes it is more correct to state if a company is giving a guarantee that it is doing everything in its power to ensure that its suppliers are respecting its code of conduct, if it has a programme to try to prevent violations from happening, and a process to react adequately if something does, and if it is actively cooperating with trade unions and NGOs at the local and international level to achieve this.

Companies that achieve this could be put on a list of those that are more progressive. At present, such a list does not yet exist.

What we do have is a list of companies that are members of credible multi-stakeholder initiatives (MSIs), "credible" in the sense that the CCC believes they are taking viable

steps to improve the working conditions in supply chains. This is all we have, for now, to point us in the right direction.

More information on MSIs can be found at www.cleanclothes.org/faq/faq34.htm. The Dutch CCC is member of an MSI called the Fair Wear Foundation (for more information see www.fairwear.nl). But the Fair Wear Foundation and similar MSIs have to be careful not to promise what they cannot deliver. The labour situation in a workplace can change overnight: tomorrow there can be a fire, or a strike, or a worker can get sexually harassed... and it will take time before this problem is communicated, investigated, and solved.

In the meantime, it is now widely accepted - by both companies as well as campaign groups - that companies should not cut and run from suppliers with bad working conditions, but use their leverage to improve the situation. Once a company knows that a problem exists and therefore that the clothes are not "clean" its job is to stay and solve the problem.



A CCC activist in Amsterdam discusses labour rights issues with consumers.



For more FAQs about the CCC, please visit: www.cleanclothes.org/faq/index.htm

The Global Garment Industry and the Informal Economy

“Informal” work is nothing new in the garment industry. The informal economy however, does change its nature. What is more, latest research shows that, far from disappearing, it is actually growing. So what are the implications for campaigning for garment workers’ rights?

Workers employed informally do not have access to the hard-won formal protection of labour laws, and social security provisions where they exist. Some of them are not even legally recognised as a worker. This is why the term used for their situation is “informal”. The majority of informal garment workers are women.

In Sri Lanka, some garment workers are considered “self-employed”, even though their pay and hours are regulated by the factory. Garment workers in many countries have been shifted out of the permanent workforce and onto temporary contracts. More and more workers on the production line are being hired in through subcontractors rather than directly employed by the factory owner. At the Nien Hsing factory in Lesotho, Southern Africa, more than half the workers were on “gate call”, daily hire-and-fire basis.

In Central and Eastern Europe, it is estimated that 70% of factory workers are informal, though by its very nature the informal economy is difficult to measure. In the UK, where most large factories have closed or moved overseas, there has been an increase in small units that use immigrant labour. Such workers have limited choice because of language or legal status, and are paid low wages, and work long hours, seasonally.

Virtually everywhere, at the end of garment production chains are homeworkers, who are probably paid the worst and suffer the most abuse.

Such bad employment practices are the route many garment companies are choosing in order to stay competitive in the global market. This increase in “informalisation” of employment is linked to increasing decentralisation and a shift towards smaller production units globally. There are also fears that more downward pressure on standards, and therefore more informalisation, will be caused by the phase-out of the Multi-Fibre Arrangement.

What's being done

On 23-25 September 2004, the CCC and IRENE (International Restructuring Education Network Europe) held a seminar in Meissen, Germany, on the theme “Campaigning strategies on



informal labour in the global garment industry”. As the title suggests, the aim was not just to describe what is happening but to exchange ideas about what is being done, and could be done more/better, to help defend the rights of informal workers. Some 45 people from 20 countries took part, from NGOs and trade unions in both garment producing and consuming countries.

It is obviously much easier for trade unions to organise workers who are on permanent employment contracts with a clearly identified employer and in a large workplace. Millions of garment workers are simply not in this situation.

Nevertheless, as Jane Tate of HomeWorkers Worldwide (HWW) told the seminar, there has been a notable growth in informal economy workers’ organisations, from the foundation of the Self-Employed Women’s Association (SEWA) in India in the 1970s onwards. In a number of countries, including Canada, Australia, and in Europe, there have been good broad-based campaigns involving unions.

At an international level there are networks such as WIEGO (Women in the Informal Economy, Globalising and Organising), Streetnet for street vendors and Homenet for homeworkers. HWW is currently engaged in a mapping exercise involving many



Garment workers without contracts wait each day to see if there is work for them, Lesotho, 2001.

countries, and this is being used as a means to support organising activities. Making the role of informal workers, especially homeworkers, not just legally recognised but simply more visible is, the seminar decided, a very important effort.

The adoption of the ILO Convention 177 on Homework in 1996 was a significant step forward, bringing recognition that homeworkers too are workers with rights. However, the Convention still needs more governments to ratify it, and this is one area of lobbying that supporters can undertake. The ILO is currently examining informal employment relationships of many types and their relationship to “decent work”. It is also very important to influence the outcomes of these discussions through union and government representatives involved.

Also at an international level, the European Union issues directives which must be implemented in each member state. Many of these, if properly implemented, could improve

informal workers' situations. Meanwhile, European Works Councils in particular companies could be more strongly motivated to take up issues of informal workers related to their production chains.

At a national level, the seminar came up with a long list of possible demands on governments. One area is to push harder to ensure that employment laws are widened in scope – to apply to small enterprises and to a wider definition of who is a “worker”, for example. Other suggestions included improving labour inspectorates and better research methods to quantify and make the informal economy more visible.

However, as the seminar participants universally agreed, the key to seeing laws and conventions, whether national or international, implemented is organisation by the workers concerned. This would be assisted if governments were to recognise informal economy worker organisations as social partners for collective bargaining.

Perhaps the biggest obstacle to informal workers organising, however, is not having any proof of employment, as Rohini Hensman of the Union Research Group in Mumbai, India, pointed out. Many workers cannot even prove that they are workers, let alone who they have been working for. It should be compulsory that there is some system of registration where the employment relationship is recorded, she said, recommending that this requirement should be included in codes of conduct and the global framework agreements of the Global Unions.

The founding history of trade unionism in the industrialised countries and the more recent success of SEWA in India are, however, based on self-help and involve a wide range of activities not necessarily associated with how many trade unions operate today.

“We need different types of organisations that are more flexible... cooperatives, workers' associations”, said Jini Park from the Committee for Asian Women based in Bangkok.

The global trade union movement is well aware of the need to tackle the informalisation of employment. According to Sergejus Glovackas of the CEE Unit of the International Confederation of Free Trade Unions (ICFTU), “A political decision has been taken to focus on informal economy. Now it just remains to be seen how to implement this”. He spoke about their organising efforts in his region, though this does not yet include garment workers. However, around the world there are some examples of garment workers' trade unions taking initiatives to bring in informal economy workers, such as the Southern African Clothing and Textile Workers' Union (SACTWU).

“We act according to the belief that knowledge and information must come from the workers themselves, and that home-based workers must say their needs and priorities for themselves”, said Dilek Hattatoglu of the Working Group on Home-based Workers in Turkey. In workshops they organised in 14 cities in Turkey, home-based workers came up with the same top priority: social protection. At first they did not see themselves as work-



*Woman sewing underwear in Novo Friburgo, Brazil.
Photo: Sharon Jones*

ers but through the workshops they started to, and began to organise themselves as workers. Better social protection became their aim, and self-organisation the means to achieve it. Unfortunately, with one exception, the Turkish trade unions, though invited, did not take part.

For the ICFTU's CEE Unit, Glovackas is keen to promote better relations between unions and NGOs. "Cooperation is important", he said, adding that unions need it to survive in the face of the growing informal economy.

Needs of informal, migrant workers

The low level of awareness among informal workers about their legal rights and their low level of organisation are a reflection of their vulnerability to losing their job at any time. If, in addition, they are migrant workers, their problems are compounded.

Yet the seminar heard many positive cases of organising among migrant workers. For example, the FNV in the Netherlands, and the GMB and T&G unions in the UK take on organisers from the same language group or culture as the workers in question, on the principle that "like organises like".

To meet the needs of migrant workers, there is a great need to internationalise organising and even union membership. In the Baltics, gas station workers have been able to have their union membership recognised while working abroad - a kind of "union passport". The British union centre TUC invited Solidarnosc, its counterpart in Poland, to send organisers to help organise Polish workers in the UK. The participants were keen to see the development of international union cards.

Unions were urged to take up a stronger advocacy role on behalf of migrant workers with the public authorities. No European country, for example, has yet ratified the United Nations Convention on the Rights of Migrants, noted Rita Vandeloos of Wereldsolidariteit in Belgium. There is more to be done too to raise public awareness about the value of migrant workers to the economy, and to encourage social contact between "home country" members and migrant workers to build mutual understanding and combat discrimination.

Push for corporate responsibility

How well are brands and retailers in the garment/sportswear industries responding to the idea that they are responsible for the working conditions of all workers in their supply chains, including informal workers?

Ensuring that proof of employment relationship is included in all codes is a long-standing demand made by CCC to companies, but it could be highlighted more, acknowledged CCC's Esther de Haan.

Company codes of conduct ought to cover entire supply chains and make specific reference to problems faced by informal workers, according to seminar participants. Getting companies to accept this is, however, another story. Camille Warren of Women Working Worldwide said her research had revealed "an unwillingness among large retailers to know their supply chains". Beyond the top tiers of suppliers (big manufacturers and factories), they do not want to know and some have expressed the belief that it is unreasonable to expect them to know, she said.

It is important, participants decided, to continue putting pressure on brands and retailers to map their entire supply chains. These companies need to understand the link between their own purchasing policies and the informalisation of workers who are thereby pushed into even greater poverty. It is their responsibility to ensure that the law is respected all the way down the chains, as far as and including homeworkers who are part of their production process. Suggestions included a campaign targeted in particular at cost-cutting retailers (sometimes referred to as "price-breakers"), and more pressure on companies who participate in multi-stakeholder initiatives.

It has become a widely accepted principle that monitoring and verifying activities must include consultation with the workers concerned. The seminar recognised that this ought to include much better efforts to reach out to informal workers. Yet many professional auditors already do not adequately consult workers who are clearly employed within identifiable workplaces. How

much more difficult will it be to persuade them to cover the whole workforce, including the virtually hidden homeworkers or the temporary contract workers? There is no alternative, the seminar concluded, than to build capacity among local independent NGOs to do auditing that includes informal workers. Ultimately, of course, the goal is organisations of informal workers, or which include informal workers, that can represent their own voice.

Opportunities for solidarity action

In order to take up a representational role for informal economy workers, many trade unions may need to change their constitutions. However, there is much that trade unions can do before taking this step. In particular, they can be advocates for the rights of all workers, including informal workers, and encourage or stimulate the self-organisation of informal workers.

When it comes to consumer campaigns and public awareness-raising, the significant contribution of informal workers in the supply chains needs to be made more visible. Campaigners must be in touch with informal economy workers' organisations to ensure that their demands coincide with what informal economy workers want. An emphasis on the basic human and legal rights

of informal workers – their right to organise and earn a living wage, for example – would be a key “hook” for campaigning. So would creating space for workers' voices to be heard through speaker tours and international exchanges.



This article is based on a discussion paper written for the Meissen seminar, and the seminar report. Both documents can be found at the CCC website:

“Meissen meeting brings together garment industry labor rights activists and informal economy experts”, the full report of the CCC-IRENE seminar, “Campaigning Strategies on Informal Labour in the Global Garment Industry”, held on 23-25 September 2004, in Meissen, Germany, can be found at: www.cleanclothes.org/ftp/04-12-informal_labour_seminar_report.pdf

“The Global Garment Industry and the Informal Economy: Critical Issues for Labor Rights Advocates”, a discussion paper written for the seminar, can be found at: www.cleanclothes.org/publications/04-09-informal_labour_seminar01.htm

*Homeworker handstitching shoes, Santiago, Chile.
Photo: Homeworkers Worldwide*



Campaigning: Inform about Informal

The CCC has attempted to include the rights of informal workers in such activities as the living wage campaign of 2000-2001. More recently, in the “Play Fair at the Olympics” campaign, precarious employment was one of the themes highlighted.

There is, however, much more that CCC groups can do to make the informal economy more prominent in awareness-raising campaigns. Being sure to focus on the entire supply chain is one way. A Swedish documentary film that focused on rights violations in H&M supply chains included, for example, coverage of conditions for homeworkers in the Philippines doing embroidery on sweaters. This was very important in getting H&M to take on responsibility for their whole chain.

Then there are the frequently used representations of the price breakdown of a garment or sports shoe, which show the various costs involved in producing and bringing a product to market and where the wages of workers fit in. These could try to show the presence and value of work done by informal workers. Violations of the rights of informal workers can also be more thoroughly taken up through the CCC urgent appeals system.

In Belgium, CCC member Wereldsolidaritet has run a campaign for a worldwide social security system that would provide minimum protection for workers. The campaign uses various methods – including a quiz, video, games and informational evenings – to convey information to their target groups. For more information on this case, please see www.wsm.be

Complaint Mechanisms Explained



Bangladesh garment factory, 2005

Unions and labour rights groups are increasingly making use of the various opportunities that exist to file a complaint when rights are violated. So, what does it mean to file a complaint, what are the different mechanisms, how is it done, and how useful is it in achieving respect for workers' rights?

There are now quite a variety of different mechanisms through which complaints can be made against garments/sportswear companies which violate workers' rights.

- > A number of brand companies and retailers are now operating or developing their own internal systems to process complaints of rights violations.
- > There are multi-stakeholder initiatives (MSIs) – including the Fair Labor Association (FLA), the Fair Wear Foundation (FWF), and the Ethical Trading Initiative (ETI) – which have complaints mechanisms with regard to their member companies and/or require their member companies to set up their own complaints mechanisms.
- > The Worker Rights Consortium (WRC) in the US: the WRC has no companies as members but university licensing bodies are on the WRC Board in their capacity as garment-purchasers. So, workers producing for US universities can lodge a complaint with the WRC.

- > Where a workplace is certified according to the SA-8000 international standard, a complaint can be sent to the body that deals with that standard, Social Accountability International (SAI).
- > There are also intergovernmental bodies that can be approached, including the Organization for Economic Cooperation and Development (OECD) and the International Labour Organization (ILO) (these are not discussed in this article).

In most cases, violations of codes of labour standards also constitute violations of local labour law. So, filing a complaint through one or more of these routes is often done in addition to filing the case with local labour law enforcement authorities.

In fact, it is not unusual for a union or labour rights organisation to file grievances simultaneously wherever they can. And why not? It increases pressure for the resolution of the case in question. It also draws broader public attention to what are often systemic problems that transcend the single workplace.

Why are they important?

Labour rights advocates have long maintained that codes of conduct are worthless if they do not contain a system that monitors

and verifies compliance with the code. But social audits – where, say, a professional auditing company comes into a factory to make an examination – are limited in scope. For example, they only provide a “snapshot” of labour practices at a specific moment in time.

So, there should also be a mechanism to handle complaints coming directly from the workers concerned and their organisations. It is a way of ensuring their direct input at any point in time. Some companies are starting to see how this can help alert them to problems and get them solved more quickly. Labour rights activists see it as another avenue for pressuring companies to make improvements.

However, the route by which complaints are handled is often not very clear. What is supposed to happen in theory often does not work out that way.

Theoretically a complaint should travel “up the chain” from workers (and their union or support organization, where one exists) to

local and then senior managers of their production facility. Or, if this does not produce results, the complaint is made from the workers/union direct to the brand or retail company, sidestepping local management. Or again, if this fails to bring a result, they can go up one more level to the multi-stakeholder initiative and/or file with an intergovernmental body.

The CCC’s work on urgent action cases has provided a great deal of insight into the possibilities for developing complaint mechanisms for brands or MSIs so that they can be credible tools for resolving worker grievances. We have identified key issues that must be addressed if they are to be useful:

- > How complaints are filed (who files complaints, where are the complaints filed, etc.);
- > On what basis complaints are accepted for follow up;
- > How complaints are investigated;
- > How action is taken to solve the problems raised in the complaint.

Bangladesh garment factory, 2005



TOILET



Bangladesh garment factory, 2005

Then there are also the broader issues of time, funding, and reporting. The CCC is committed to pushing for the development of complaint mechanisms that can result in meaningful and sustainable positive change for garment and sports shoe workers.

Brands and retailers with their own complaint mechanisms

It is not often that workers know when the companies buying their production have complaint mechanisms. More often, it is international support organisations that have this information. When the CCC gets an urgent request from workers for help, we alert the buyers and push them to take action. They may have an existing complaint mechanism but, if not, we urge them to set one up. Other labour support organizations have a similar approach.

Some brands/retailers (for example, Gap, H&M, C&A) have local staff in their countries or region of production, and send them to talk with factory management. Where there is no local staff, the company will contact management and, perhaps at a later stage, after sustained pressure, send in a lawyer or auditor, or go themselves. Often in this first phase no communication with workers or related organizations takes place. All that is obtained is management's view. This of course contradicts the view of those filing the complaint, but significantly also often turns out to be simply misleading, for example based on an incorrect interpretation of local labour law. Not surprisingly, a drawn out debate takes place, and there may be no resolution. There are many such outstanding cases.

However, where pressure can be brought to bear internationally, via public campaigning or by involving other parties like MSIs or

Filing Complaints with the MSIs

The different ways that complaint mechanisms of the MSIs work vary a lot. Here is a brief analysis, based on the CCC's experience.

- > The **ETI** in the UK: current sourcing companies that are members of the Ethical Trading Initiative include Levi Strauss, Marks & Spencer, Gap, and Mothercare. The ETI has developed a mechanism that channels complaints directly to member companies. Complaints have to be filed by an ETI member organisation (NGO, trade union, or, presumably, a company) to the member company concerned. The ETI Secretariat only becomes directly involved if parties fail to reach an agreement. ETI member companies are also expected to provide workers with a confidential way of reporting failure to observe the ETI Base Code directly to them. There is no obligation for member companies to ensure that their suppliers have a mechanism to handle worker-to-management complaints. For more information, see www.ethicaltrade.org.
- > The **FWF** in the Netherlands: Fair Wear Foundation members include G-Sus, O'Neill and several smaller Dutch brands. CCC representatives are on the FWF board and the committee of

experts. The FWF works with local organisations with good relations to the workers of the suppliers concerned, who can act as "complaints handler". These locally manage the procedure and report complaints to the Foundation, which is responsible for follow-up. In the first step, the complaint goes to the member company to handle; if this fails to resolve matters, then the FWF becomes directly involved. At present it is unclear in what way member companies are obliged to develop channels to receive complaints directly or to ensure that their suppliers have mechanisms to handle worker-to-management complaints. As a follow-up, a verification audit is an option. For such audits FWF uses teams made up of local experts, following advice from members of its local partner network (which includes trade unions and labor rights NGOs). For more information, see www.fairwear.nl.

- > The **FLA** in the US: members of the Fair Labor Association include all the major sportswear brands, such as Nike, Reebok, and adidas, as well as other major brands such as Liz Claiborne and Eddie Bauer. As part of its internal monitoring obligations, the FLA requires that member companies provide workers with a confidential reporting channel through which they can report non-compliance directly to that mem-

international governmental bodies, some cases do result in effective action that meets the demands of the workers. Also, some brands and retailers are beginning to see that sole reliance on workplace management for information does not necessarily lead to a swift resolution of problems, and are taking more seriously the need to consult directly with the workers making the complaints.

Can complaints make a difference?

The short answer is that, yes, sometimes lodging a complaint can make a difference. The CCC has seen some positive results out of complaints being filed with individual brand companies, MSIs or intergovernmental bodies. They include the cases of Gina Form (Thailand), Jaqalanka (Sri Lanka), Stella (China), Choi Shin (Guatemala), Codevi (Haiti), BJB (Dominican Republic), and Square Fashions (Bangladesh).

The type of action that has been taken includes:

- > Suppliers being assisted to hire full-time human resources staff, or to work with local experts (labour lawyers, payroll experts, health and safety experts) to draft and help implement new policies;
- > Training and educational programs for management and workers;
- > New procedures for management to communicate more effectively with workers (via grievance mechanisms, committees, meetings, etc.);
- > Verification of union membership with a view to union recognition or assistance in working towards negotiation of a CBA;
- > Changes in national employment law;

- > Payment of back pay or severance benefits to workers after workplace closures; and
- > Organisation of forums for employers, trade unions, local government and NGOs to discuss more systemic issues.



ber company. Member companies are also recommended to ensure that their suppliers have mechanisms in place for worker-to-management complaints. In addition, anybody can file a complaint directly to the FLA itself. The FLA (after review) passes the complaint on to the member company for remediation; the company has an initial 45 days to solve the problem before the FLA will intervene; but the FLA takes an active role in this process, and ultimate responsibility lies with the FLA. In some cases, the FLA has been acting more as a mediator. An example is the Jaqalanka dispute in Sri Lanka in 2003 where the remediation consisted of drawing up a collective bargaining agreement. For more information, see www.fairlabor.org.

- > The **WRC** in the US: unlike the other initiatives, the Worker Rights Consortium does not have member companies and therefore does not have an official role in setting up complaint systems for sourcing companies. The WRC, to a certain extent, can be seen as an institutionalized variant of the activist urgent appeal phenomenon. It concentrates on the complaints it receives, usually filed by NGOs or trade unions, and also investigates pro-actively. If an appeal from a local union or support organization concerns a factory producing apparel

for a US college campus, the WRC jointly, in coordination with local worker organizations, investigates the complaint, and develops a suggested course of action for the sourcing companies concerned. The leverage provided by the WRC's university members, the final buyers of the product, means that sourcing companies are more likely to meet their demands. For more information, see www.workersrights.org.

- > **SAI** in the US: before Social Accountability International (SAI) agrees to an SA8000 certificate for a company, it requires that there is a mechanism in place for company management to handle complaints from workers. Additionally, anyone can file a complaint directly to SAI itself, or to the certification body that certified the facility on behalf of SAI. Usually such complaints will first be passed on to the supplier or to the audit firm that certified it, for resolution. Or the complaint may be passed to a different audit firm. An investigation has to be made within 30 days, or an appeal can be filed with SAI, which then sets up an appeal board. Sourcing companies related to SAI (via its Corporate Involvement Program) are not required to have a process for directly receiving complaints. For more information, see www.cepaa.org.



Clean Clothes Communities: Focus on Work Wear

Governments have a key role to play in ensuring that good labour standards are enforced, not only by regulating the private sector but in their own activities. At local and national levels, they spend millions on uniforms, for example. The CCC believes that all work wear worn by public workers should be produced in workplaces that respect workers' rights. Through community-council targeted action, lobby and research, the CCC is already seeing positive results.

Each year, towns and cities across Europe spend a huge amount of money on clothing for municipal services such as the fire department, cleaning, and public transport. Until recently, however, how well or badly the workers who make this work wear are treated was not a factor in their purchasing decisions. But all that is starting to change.

A plan to better coordinate CCC activity on this front was developed in October 2003, at a meeting in Paris of CCCs from six European countries plus the CCC International Secretariat.

There it was decided that municipal buying and procurement ought to be a key focus for community activists looking to set up "Clean Clothes Communities" or CCCommunities, as they've come to be known. It would, for example, also help to strengthen local CCC campaigning and public awareness-raising.

It was decided that the "CCCommunities" campaign would mainly focus on social standards. However, municipalities should also address ecological issues, and so this is an area where CCC groups can work together with environmental activists. At the meeting, the CCCs decided what they would demand of the communities, and set out these demands in a model resolution that communities should be pushed to adopt (see the box).

Some national CCCs had already been working on this area prior to the meeting, and since then, CCCommunities campaigns have taken off in a number of countries. Today:

- > In **France**, no fewer than 250 communities, large and small, have adopted a resolution to take labour standards into account when tendering for new clothing orders. The campaign has developed a model resolution, and a guide on how to implement it.
- > In **Belgium North**, 60 municipalities have become CCCommunities. In addition to this, the Clean Clothes at Work project has been set up, in cooperation with two unions. Here, the purpose is to get people in the workplace to look critically at the clothes that their employers make them wear, and to ask for "clean clothes".



- > In **Amsterdam, the Netherlands**, following a resolution adopted by the City Council in December 2000 and subsequent research by the Dutch CCC, a "guide" for the purchase of clean work wear was written. This was presented in 2004 to the thirty city employees who handle purchasing decisions. In 2004 Amsterdam won an award for this handbook from the Dutch Ministry of Housing, Spatial Planning and the Environment (VROM) for governments who inspiringly integrate sustainability into their buying practices. Meanwhile, the city of Enschede became the first Dutch city to implement the procedures.
- > In **Spain**, an extensive programme on ethical procurement was initiated in the Catalonia region in September 2004, with three different local governments involved: Barcelona, Manresa and Badalona.
- > In the **UK**, the project is part of a broader campaign on public procurement, in which the CCC UK cooperates with many other organisations and the University of Cardiff. A preliminary study of the UK legal framework for public procurement was done in 2004, and a questionnaire has been sent out to all local authorities to establish their purchasing practices and policies with regard to work wear.
- > In **Sweden**, in February 2005, the Swedish CCC Rena Kläder began campaigning on public procurement. The campaign is called Se Upp which is a short form of the Swedish for "Community for Ethical Procurement" but also means "Watch Out!". The campaign brings together the CCC with other Swedish fair trade groups and, as in the UK campaign, does not focus on clothes alone but takes them as a useful focus. Others participating include the Swedish Association of Health Professionals (Vårdförbundet) and the trade union for community officers SKTF. Among the first activities, there have been seminars for local authority buyers, and the release of a book about public procurement. Rena Kläder says that, after a gentle start, "this could be big".

Work wear company research

Past campaigning experience has made it clear that it is vital to understand the make-up of the market you are dealing with. Also, the CCC feels it is necessary to be able to confront the work wear companies themselves with their responsibility to ensure decent working conditions.

So, in April 2005 the CCC commissioned the Dutch-based Centre for Research on Multinational Companies (SOMO) to research the CSR performance of work wear companies.

To kick off the research, national CCC coalitions compiled lists of the biggest work wear companies supplying their (local) authorities. Out of this seven companies have been selected which sell to authorities in various European countries. The companies are themselves from different countries, and of various sizes and background. The seven are being investigated for their CSR policies and implementation, supply chain structure, and past history of labour rights' violations.

The research will be presented at a two-day seminar focusing on public procurement in October 2005, hosted by the Spanish CCC. As well as national CCCs and SOMO, those invited to the first day might include the companies researched, campaigns working on similar issues, the Fair Wear Foundation, and representatives of (local) authorities who have or haven't passed a motion. They will hear the outcomes of the research and discuss the consequences for (local) authorities. The following day will be used by the CCC representatives to plan their joint future strategies and campaigns on this theme.

So how does it work?

A city or municipal authority that wants to become a "Clean Clothes Community" first adopts a resolution that says that only work wear made under good labour conditions will be purchased. They then have to formulate an ethical procurement policy and develop a plan of action so that within a specified period of time buying "clean" uniforms becomes a reality.

Before they start, they need to determine exactly who is responsible for the purchases, who their suppliers are, where their current uniforms are actually produced, what is known about the labour conditions there, and which labour criteria they now want to take into account.

What the CCommunities Model Resolution says

Communities should:

- > Demand that suppliers accept and implement the CCC model code of conduct.
- > Demonstrate compliance with the CCC code.
- > Publicly disclose any efforts made and results achieved to comply with the code.
- > Publicly disclose where they are sourcing and in what circumstances (optional: disclose a list of suppliers).
- > Form an accountable task group that is responsible for the development of implementation.
- > Support the creation of a European Fair Wear Foundation.
- > Act to promote the labour rights of garment workers (through lobbying at national and European level).

Illustrations: Michaël Pattiruhu



Still Seeking Fair Play

The Olympics campaign moves on

After months of relentless campaigning, the organisations taking part in the "Play Fair at the Olympics" campaign took stock of their achievements. On December 16-17, 2004 an evaluation meeting was held by the campaign's steering group, which is made up of representatives from Asia Monitor Resource Center (AMRC), the CCC, Global Unions, Oxfam, and the Thai Labour Campaign. Other organisations were invited and several attended, including the Centre for Education and Development and Civedep, both based in India.

The assessment of the Play Fair campaign so far is that it heralded unprecedented levels of collaboration between NGOs and trade union organisations in many countries, North and South. It also produced a "roadmap" that will serve as the basis for discussions for a sportswear sectoral agreement. Linking with a global sports event proved to be a very effective way of bringing together targeted brand companies.

Particularly positive was the dialogue developed with individual sportswear companies. In some cases this led to direct relations between the companies and local trade unions. Five out of the seven targeted companies reviewed their codes/labour practice policies and were to varying degrees moved to take action. In the evaluation it was stressed that gains at the policy level are not, of course, the same as concrete improvements for workers at plant level.

The fairolympics.org website provided a strong focal point for the campaign. The events section was very valuable, as was the site's role as a way of exchanging information between participating organisations. Highlighting certain company targets on the website placed a lot of pressure on them to take action.

The level of public attention achieved was rated as very high. The pre-games "Athens Sew-In" stunt in particular gained a lot of press and media coverage around the world, as did our (unsuccessful) attempts to present a petition of over half a million signatures from 35 countries to the International Olympic Committee.

Although not fully global, participation in the campaign in Europe and Asia was widespread. One of the major gains in sportswear producing countries was innovative alliance-building. The worker exchange initiatives carried out amongst garment workers in India and the regional exchange organized after the "Workers' Olympics" in Bangkok were seen as particularly successful.

On the other hand, the campaigning period was quite short and, in such a short period, it is hard to immediately identify any meaningful change in workers' lives. The evaluation

acknowledged that such changes take place over a longer period of time.

While the campaign provided plenty of scope for participation in consumer countries, campaigns in producing countries often felt they had fewer ways to get involved. Moreover, not enough thought had been given to how the outcomes of the campaign (in particular the advances made in dialogue with sportswear sourcing firms) could be used by workers themselves to bring about change in their working and living conditions.

A major conclusion of the first part of the campaign, therefore, is that organisations in the producing countries must be placed at the centre of any future work, as must measures that truly facilitate workers' freedom of association.

With this in mind, the international trade union federation for garment workers (ITGLWF) has already embarked on a program with its affiliated unions in Asia to develop their knowledge of the supply chains of the major multinational sportswear companies sourcing from their countries. At a regional workshop planned in Vietnam for July 2005, organised by the ITGLWF with the Friedrich Ebert Foundation of Germany, they will be looking at the range of instruments that can be used to assist in organising along such chains. NGOs that have been involved in the sportswear workers' rights activities will also take part in the preparations for the workshop, thereby increasing union-NGO cooperation.

Other planned follow-up sportswear activities include a larger meeting for NGOs and unions, probably in India, later in 2005 that will address wider global campaigning issues.

Olympic committees

A big disappointment of the "Play Fair at the Olympics" campaign was the reaction of the International Olympic Committee (IOC), which moved very little, if at all. However, some national Olympic committees and games organising committees were open to the campaign and have adopted new policies, which bodes well for the future.

The Turin 2006 Winter Olympic Committee (TOROC) has adopted a "Charter of Intentions". Although a move not directly connected to the campaign, it may nevertheless contribute to the defining of ethical standards for global sporting events.





At the Workers' Olympics, Bangkok, Thailand, August 2004

TOROC has expressed an interest in discussing ways to improve social and ethical values in sport with the campaign.

At a national level, the various campaign organisations are following up with their own national Olympic committees. For example:

- > In the **UK**, the British Olympics Association has moved from its original position of refusing to meet with the campaign to agreeing to engage with the campaign in order to "look at contracts and at what needs to be changed to improve the conditions [of workers]". Meanwhile, the "London Bid", the organisation set up to promote Britain's goal of hosting the Olympic Games in 2012, has met with the trade union federation TUC, Oxfam and Labour Behind the Label (the UK CCC), and is now committed to including workers' rights issues in its contracts with suppliers.
- > In the **Netherlands**, the commitments made by the Dutch Olympic Committee (NOC*NSF) during the campaign included adding a clause on labour standards in their contracts with Asics, and this will be followed up.

Sportswear companies

The sportswear brands were urged through the Play Fair at the Olympics campaign to cooperate on a "programme of work" aimed at bringing labour abuses in the industry to an end. In particular seven companies were highlighted by the campaign: **Puma, Umbro, Lotto, Fila, Asics, Mizuno** and **Kappa**.

Since September 2004, the campaign's lobbying activities at the international level have been scaled down, and the team has concentrated on developing a report that provides a complete record of the interaction between the different companies and the Play Fair Alliance, as the campaign is now called. Each company has reviewed its own chapter, and the full document is now available on the Play Fair and CCC websites.

As for on-going activities with the targeted companies:

- > The dialogue between **Umbro** and the UK Play Fair coalition continues, and parties are developing concrete plans for worker training and other activities as agreed by Umbro during the campaign.
- > A meeting between **Puma** and Bulgarian unions/NGOs took place at the end of 2004, as did another with the Turkish trade unions.
- > In Finland a campaign has been launched around the IAAF World Championships in Athletics in August 2005, which will focus on the Japan-based **Mizuno**, the main sponsor of the event.
- > **Asics**, another Japanese company targeted in the campaign, has contacted Hong Kong labor rights groups regarding health and safety training in Chinese factories.
- > There has been no progress, however, on the part of **Fila, Kappa** and **Lotto**. Fila is now being targeted by the CCC because of their failure to act responsibly at PT Tae Hwa in Indonesia (see the Urgent Appeals section on page 20).

Meanwhile, campaigning efforts in several European countries are focussing on sportswear retailers as well as producers. They include **Decathlon, Intersport** and **Go Sport** (see, for example, the French CCC on page 4).

The World Federation of Sporting Goods Industries (WFSGI) recently established Committee on Corporate Social Responsibility (WFSGI-CSR) had its first meeting in Shanghai on March 16, 2005. It was attended by representatives of major sportswear brands, suppliers, national sportswear manufacturing associations, the International Labour Organisation (ILO), and the Fair Labor Association (FLA). Finally, the WFSGI discussed the Play Fair Programme of Work for the Sportswear Industry presented to them in May 2004. The Play Fair campaign was disappointed not to be invited to the WFSGI meeting, even though initial indications from the CSR committee were that this was under consideration. Nor did the WFSGI answer the question of how they would take up the issues raised by the Play Fair campaign. They made it clear that, in their view, a sectoral framework agreement is not feasible at the moment.

It goes without saying that the Play Fair Alliance will continue taking the achievements of the 2004 Olympics Campaign onwards, towards the Winter Olympics in Turin in 2006 and the Summer Olympics in Beijing in 2008.



For more on the achievements of the "Play Fair at the Olympics" campaign, please see:

www.cleanclothes.org/campaign/olympics2004.htm



Collapsed Spectrum Garment factory in Savar, Bangladesh

Urgent Appeals

Bangladesh Workers Buried Alive

On April 11, 2005, the building that houses the Spectrum Sweater factory in Bangladesh collapsed during the night shift. At least 74 workers were killed, many others injured, and an unknown number were left missing, buried under the debris.

The facility, located in Savar, an industrial town northwest of Dhaka, housed Spectrum Sweater Ltd. and Shahriar Fabrics Ltd. and produced for several well-known European brands like Zara, Carrefour and Karstadt Quelle. The CCC, in cooperation with Bangladeshi trade unions and labour groups, has been insisting on action by the buyers and authorities.

In the weeks that followed there were many public protests organised by local union federations and supporters. One took the form of a human chain in which 52 Spectrum workers and the families of victims took part. Another was a symbolic one-hour hunger strike. In another, 2000 garment workers in Dhaka listened to an appeal for justice by the mother of two workers who died at the factory.

The factory owner, Shahriar Saeed, and one of the directors, Altaf Fakir, were arrested. At a hearing on May 8th, lawyers successfully contested their bail application and the court ordered both men to be imprisoned pending a further bail hearing four days later. The court decision was unprecedented and was referred to as "one step forward" by Amirul Haque Amin of the National Garment Workers' Federation (NGWF), who had 39 members working at the Spectrum factory. The NGWF was one of the organisations hiring a lawyer to contest the bail application. Despite a long string of deadly "incidents" in Bangladeshi garment factories, mainly due to fires, as yet no factory owner has ever been found guilty.

Protests and legal initiatives continue in order to bring to justice the persons responsible and ensure that victims' families receive substantially more than the legal minimum compensation. Survivors also must receive compensation for their injuries, and where necessary, retraining so they can find new jobs. It is estimated that almost 6,000 people are now unemployed due to the collapse of the factory building, and the CCC has called upon the brands to act immediately to provide urgently needed financial support for these workers. Other important demands that require follow-up are in relation to the investigation into this tragedy, as well as preventative measures to be taken to ensure that such a needless loss of life never happens again.

Some of Spectrum's clients are members of the Business Social Compliance Initiative (BSCI). After some delay the BSCI sent a mission to Bangladesh in June to follow-up on the Spectrum case, however, their willingness to do so only came after further urging by CCC. At that time nearly two months after the factory collapsed many of the victims' families and survivors reported to the CCC that they have been left hungry and homeless because without any source of income they can no longer pay their rent or pay for food. The outcomes of the BSCI trip were not yet available at press time.

Together with our Bangladeshi partners, the CCC is continuing to collect information directly from the workers so as to document the case and keep up pressure on the brands and Bangladeshi authorities to act responsibly.



For more information on this case, or to send a message of protest to the companies sourcing at Spectrum, or the BSCI, please visit the CCC website: www.cleanclothes.org/news/05-06-01.htm



List of missing Spectrum workers, Savar Bangladesh

“Message in a Bottle” to North Sails, Sri Lanka

In 2002, 207 workers at the North Sails factory in Sri Lanka were dismissed because they had gone on strike to protest against management’s refusal to pay their annual quality bonus. Since their wages are extremely low, the workers needed these “bonuses” to survive. Now, three years later, these workers are still unemployed.

North Sails, which produces sails and sailing garments, is now known as Global Sports Lanka (GSL), following its sale to the Swiss company Global Sports Technologies. A “memorandum of understanding” outlining a process to resolve the dispute was signed by GSL management in 2003. However, they ultimately did not act in good faith and in the CCC’s view failed to follow the spirit of the agreement. Despite repeated attempts by the FTZ&GSEU (Free Trade Zone & General Services Union) in Sri Lanka the situation remained unresolved.

So, in 2004, the CCC re-launched an international campaign to urge Global Sports Technologies to pressure local management to resolve the dispute. CCC called upon GSL either to reinstate the dismissed workers or, at a minimum, agree to third party mediation. GSL ignored these calls and has not shown any initiative to come to a fair resolution in this dispute.

On March 29, 2005, the third anniversary of this dispute, Dutch Clean Clothes Campaign activists sent a “message in a bottle” to North Sails by launching 207 protest letters in bottles into the North Sea in a symbolic gesture of solidarity with the 207 dismissed North Sails workers. This international day of action coincided with a protest march by North Sails workers in Sri Lanka.

GST has been contacted again but has yet to respond to the CCC’s call for them to intervene to bring about a fair resolution to this case. The CCC intends to continue the campaign against North Sails until workers’ demands are met.



More information on the North Sails case can be found at:
www.cleanclothes.org/companies/northsails04-12-24.htm



Landmark Court Decision for Chinese Workers

At a criminal appeal court hearing on December 31, 2004, seven Chinese shoe factory workers walked free in the southern city of Dongguan, Guangdong Province, after their original sentences of up to three-and-a-half years’ imprisonment were reduced to nine months, suspended for one year. Three under-aged workers were also released and their original suspended prison sentences dropped. They had all been in jail since April 2004.

This reversal of the sentencing of the Stella International shoe factory workers – all of whom had been involved in mass protests against bad working conditions at Stella’s Xing Xiong and Xing Ang factories in late April 2004 – represents a significant landmark in the history of the modern labour movement in China.

In a statement issued on 10 January 2005, Hong Kong-based *China Labour Bulletin* (CLB) said, “The Stella case demonstrates that principled and well-written defence arguments by mainland Chinese lawyers, coupled with a bold and well-coordinated campaign by concerned labour groups and the international labour movement, can make a real difference to the fate of detained Chinese worker activists, even in a case involving major criminal charges.”

The defendants had been charged with “intentional destruction of property” in connection with two mass protests involving thousands of workers at the Xing Xiong and Xing Ang factories owned by the Taiwanese company Stella International on 21 and 23 April 2004 respectively. Excessive working hours, low pay, having withheld or seriously underpaid their wages for a several-month period, and the poor quality of food provided at the factories’ canteens were the triggers for the protests.

For example, during the trial on 25 August, it emerged that some workers at the factory had been “working like brute animals” all month long but had received a salary of only around 450 Yuan, a large proportion of which went to pay for their accommodation and food at the factory. Moreover, for the two months of March and April, Stella International had apparently paid many of the workers only 50 Yuan per month in wages. None of the factory’s workers had had the slightest idea as to why they were suddenly being paid only a fraction of their normal monthly wages.

The strikes were reported by the mainland media, and CLB believes that the court’s decision was in part a reaction to the media, in particular a long analysis published by the *China News Weekly* (Zhongguo Xinwen Zhoukan) on October 25, 2004. In a rare move, the semi-official magazine high-lighted Lawyer Gao’s argument in his defence statement for Chen Nanliu – one of the Xing Ang workers – that the prosecuting authorities had failed to prove that the workers’ actions were in any way planned or organised. It also quoted a labour expert in Guangdong as saying that “workers should be allowed to organise themselves and to have a legal channel to express their grievances”.

Urgent Appeals

As for international support, on October 29 - less than a week after the sentencing of the Xing Ang workers - the International Confederation of Free Trade Unions (ICFTU) sent a letter to President Hu Jintao protesting against the sentences. They also quickly issued a press release.

After being alerted to the case in early October, the CCC contacted CLB and, based upon their advice, in the third week of October contacted the following Stella clients: Nike, Timberland, Sears, Jones Apparel, Clark Shoes, New Balance, Kenneth Cole and Marc Jacobs. Reebok, another Stella client, had already become active in the case. The CCC asked the brands to contact the authorities and Stella management to request leniency in the sentencing and secure improvements so that conditions would be fair, and workers have appropriate avenues to communicate grievances. Reebok CEO Paul Fireman himself wrote to the Dongguan Court requesting leniency for the "Stella Ten". We understand that Clark's shoe company did likewise.

At a court hearing on August 25, 2004, Lawyer Gao made a powerful defence speech highlighting the underlying causes of the exploitative working conditions that led to the Stella factory workers' protest - China's neglect of workers' rights in its unqualified support for foreign investment.

Although this case is a milestone on the journey towards workers' rights in China, we should not forget that the appeal court still maintains that the ten Stella workers are guilty of their alleged offences. As CLB says, "Instead of scapegoating individual workers in this way, the Chinese authorities should address the real issue of why labour unrest has become so widespread. Workers need to be able to establish their own independent trade unions, so that they can voice their grievances peacefully and negotiate with their employers on working conditions, wages, health and safety, and other issues of vital concern to workers around the country."



For more information on this case, including a translation of Lawyer Gao's defence statement please see the China Labour Bulletin website at www.china-labour.org.hk

New CCC Brochure: "The Clean Clothes Urgent Appeals System"

Each year the CCC takes action on dozens of urgent cases of workers' rights violations in the garment and sports shoe industries. This is one way that the CCC stimulates direct solidarity action by supporters throughout Europe to put pressure on brands and retailers.

To explain to workers' organisations how the CCC's urgent appeals system works, the campaign recently issued a brief brochure. It gives information on how the CCC decides which cases to take up - for example, only where it is clear that this is what the workers involved in the dispute want. Plus there is information on the actions that the CCC and supporters may take, and how this is coordinated. There is also advice on how to inform the CCC about a potential urgent appeals case.

At the moment this brochure is available in English though translation into other languages is expected. Copies are available from the CCC Secretariat (info@cleanclothes.org) or can be downloaded from the CCC website: www.cleanclothes.org/ftp/UA_leaflet.pdf



FAIL

ON FAIR PLAY

PT Tae Hwa Closed Without Notice

On February 11, 2005, workers returned from a two-day holiday to find the PT Tae Hwa factory in Indonesia had closed down in their absence, and the management was nowhere to be found. Nearly 3,600 people were employed at this factory and to date they have not been given any explanation for its closure.

Rumours soon circulated among the workers that the closure of the factory, which produced sports shoes, came as a result of the major buyer Fila withholding a large payment, rendering PT Tae Hwa unable to meet its debts. Fila, which takes 70-90% of the factory's production, is owned by the US-based Sports Brands International. Fila was one of the targets of the 2004 "Play Fair at the Olympics" campaign, and a report on labour conditions at the PT Tae Hwa factory provided a case study for the campaign.

Since the sudden closure, the CCC and partners, including the International Confederation of Free Trade Unions (ICFTU) have repeatedly written to Fila and telephoned its Chief Marketing Officer Robert Erb in an attempt to get clarification about the situation regarding the PT Tae Hwa factory and its dismissed workers. There has been no response. The CCC and partners around the world plan to continue to draw attention to Fila's failure to follow-up on this matter. Fila has a responsibility to these workers who were producing goods for Fila right up to the last day before the factory closed!

It is hoped that public opinion will force Fila to take responsibility for the unemployed workers by meeting the following demands:

- > Fila must assist its workers in finding new employment;
- > Workers must be paid their back wages as well as any other money they are legally entitled to;
- > Workers awaiting new employment must receive financial assistance or a severance pay package in accordance with Indonesian labour law, in order to support them until they find new jobs. This money could be drawn from a fund established by Fila for this purpose;
- > Fila must demonstrate transparency in explaining its role in the closure of the Tae Hwa factory.

The Clean Clothes campaign is also demanding that Fila reformulate its code of conduct so that it complies with international labour standards. The company must allow for inspections to be carried out by a third party to verify compliance with this code of conduct. Fila must also cooperate with local unions and organisations so that situations similar to the Tae Hwa case can be resolved in a more constructive manner.



Case study on Fila and the PT Tae Hwa factory for the "Play Fair at the Olympics" campaign are available at: www.cleanclothes.org/ftp/04-09-Fila_casestudy.pdf

Nike Responds over MSP Sportswear, Thailand

After three union activists were dismissed from the MSP Sportswear factory in Thailand for exercising their right to organize in October 2004, the CCC targeted MSP's two major clients, Nike and the French brand Decathlon, to push them to play a role in resolving the dispute. By March 2005, CCC was able to announce the reinstatement of the three unionists, and the successful campaign was called off.

A union was formed at MSP in November 2003 when workers could no longer tolerate the very bad working conditions. These included constantly increasing quotas with no pay increase, compulsory overtime, poor quality drinking water, verbal abuse from supervisors, and daily body searches that at times amounted to sexual harassment.

The CCC International Secretariat, working closely with the French CCC, pressured both brands to enter into talks with CLIST (Centre for Labor Information Service and Training, the Thai organization supporting the union activists), and the local union at the MSP Sportswear factory. The French CCC distributed 7,000 protest letters and 9,000 campaign postcards to put extra pressure on Decathlon. However Decathlon failed to react in any constructive way. Indeed, CCC regards their role as disgraceful and disappointing. However, a great deal of publicity was generated in the French press and by the letter-writing campaign which certainly helped to resolve the case.

On March 18, 2005, a meeting took place between CLIST and the other brand, Nike. Here an agreement was reached where all three dismissed union activists were offered their jobs back, including full back pay to the date of dismissal for two of the workers. The third worker accepted settlement money which came to a higher amount than the back pay.

The parties also agreed to develop "Terms of Engagement" with input from all concerned: workers, management, buyers and Thai labor officials. The Fair Labor Association (FLA), involved in the case after a complaint was filed by the union against FLA member company Nike, is to develop these Terms of Engagement further.

They will cover the protection and reinstatement of the workers, their reintegration, and any follow-up work that needs to be done. They are to include rules of behavior for all parties concerned (MSP management, external parties, brands, dismissed workers, general MSP workers, and any other workers' organizations or workers' representatives at MSP). A neutral third party will be identified by the FLA, with the consent of all parties, to facilitate a sustainable solution to prevent the recurrence of labor disputes at MSP. Several rounds of negotiations between the different parties haven taken place since then, and CLIST reports thus far reasonable progress is being made.

While the CCC welcomes the steps taken by Nike to resolve this situation in their supplier factory in Thailand, at the same time Nike can be criticized for unnecessarily prolonging the dispute. There were numerous opportunities for Nike to intervene by enforcing its code of conduct and insisting that MSP reinstate the dismissed workers. Instead, the dismissed workers and their union colleagues still working in the factory faced great hardship in what can only be seen as an attempt to break the union. The CCC hopes that Nike will learn from this dispute and take its own code of conduct more seriously.



New Resources

CCC Publications

For an overview of national CCCs' activities, including resources published in various languages during the period October 2004 to February 2005, please go to: www.cleanclothes.org/news/05-02-cccprep.htm

Implementing Codes of Conduct

ILO researcher Ivanka Mamic has looked in depth at how best to implement voluntary corporate codes of conduct in global supply chains. Her study focuses on three sectors: athletic footwear, apparel, and retail. She interviewed hundreds of managers, governmental officials, factory workers, workers' representatives, and activists, relating to over 90 enterprises and suppliers in the US, Europe, Vietnam, China, Thailand, Sri Lanka, Guatemala, Turkey and Honduras.

One important conclusion she reaches is that the athletic footwear sector has made greater progress in implementing codes of conduct than the apparel and retail sectors. Another is that companies should move away from "policing" as the best way of ensuring compliance towards an approach in which workers are empowered to oversee their own workplaces.

The book provides a detailed overview of the managerial systems related to code implementation in the three different sectors. It gives many examples of the problems corporations face in this effort. However, the focal point of the study is on management practices and systems, rather than assessing the effects of the codes of conduct themselves.

Ivanka Mamic, "Implementing Codes of Conduct: How Businesses Manage Social Performance in Global Supply Chains", Greenleaf Publishing and International Labour Organisation, 2004, ISBN 1 874719 89 6, Price: Hardback, US\$65.00

Sewing for the World Market

Published at the end of 2004, by SÜDWIND, an organisation active in the German CCC, this report is on women's work in export processing zones (EPZs) and the informal economy. It features case studies from China, Indonesia and Sri Lanka, and focuses on the supplier factories for KarstadtQuelle, C&A, Otto, adidas-Salomon and Puma. The author, Ingeborg Wick, analyses trends in the world market for textiles and clothing, reflects the practical experiences of unionists and consumers, and offers proposals for action.

Full report in German: €5 each for 1-4 copies, €4.50 each for 5-9 copies, and €4 each for 10+ copies. To order, contact Ingeborg Wick, e-mail: wick@suedwind-institut.de. English versions of the case studies from China and Indonesia can be found at: www.cleanclothes.org/publications/05-01-25.htm

Play Fair in India Workers Exchange Reports

In August 2004, as part of the "Play Fair at the Olympics" campaign, the South India Coalition for the Rights of Garment Workers organised a National Workers Exchange Programme in Bangalore, India. Over two days, some 84 workers, organizers and activists from manufacturing centres in India discussed labour rights and labour standards in the garments/sportswear industries, and how to bring more pressure on the industry and the government to improve working conditions. Nearly 1,000 workers participated in a public meeting organised on the concluding day.

The report of the event is available at: www.cleanclothes.org/campaign/olympics2004-08-24.htm



A Critical Guide to Corporate Codes of Conduct

This booklet, from the Asia Monitor Resource Center (AMRC) in Hong Kong, reflects the on-going attempts of labour organisations in the Asian Transnational Corporations Monitoring Network (ATNC Monitoring Network) to understand the utility and the limits of corporate codes of conduct. As well as introducing the different types of codes and how they developed, the contributors analyse their own experiences in trying to use them.

Available from AMRC, for more information see www.amrc.org.hk. Price: outside Hong Kong: US\$12 (including postage), with a discount for AMRC network partners.

Success at Gina, Thailand Studied

The struggle of the Gina Form Bra Company workers in Thailand is familiar to many in the CCC network, being a case taken up through the CCC Urgent Appeals system and one where the workers won. This case has been written up in "The Struggle of the Gina Workers in Thailand: Inside a successful international solidarity campaign" by Philip Robertson and Somsak Playoo Wong. Useful lessons are drawn for future such cases.

Available at: www.cleanclothes.org/ftp/04-11_Robertson_Somsak.pdf

Latest Codes Memo

Codes Memo No.18, published by the Maquila Solidarity Network in January 2005, focuses on code complaints processes. The Gildan case is used to take a closer look at how the Worker Rights Consortium and the Fair Labor Association (FLA) work. Also included are analyses of the FLA's second annual report, and Mattel's first CSR report.

Available in English and Spanish at: www.maquilasolidarity.org/resources/codes/pdf/codesmemo18.pdf

Worker Rights Consortium Reports

New reports are available on Worker Rights Consortium (WRC) investigations at Far East and First Apparel (Thailand), Lian Thai (Thailand), and Unique Garments (Swaziland). Each report describes the allegations, the investigation process and the local experts involved, the findings and the recommendations and current status (including buyers' responses).

Available at: www.workersrights.org

Fair Wear Foundation Country Studies

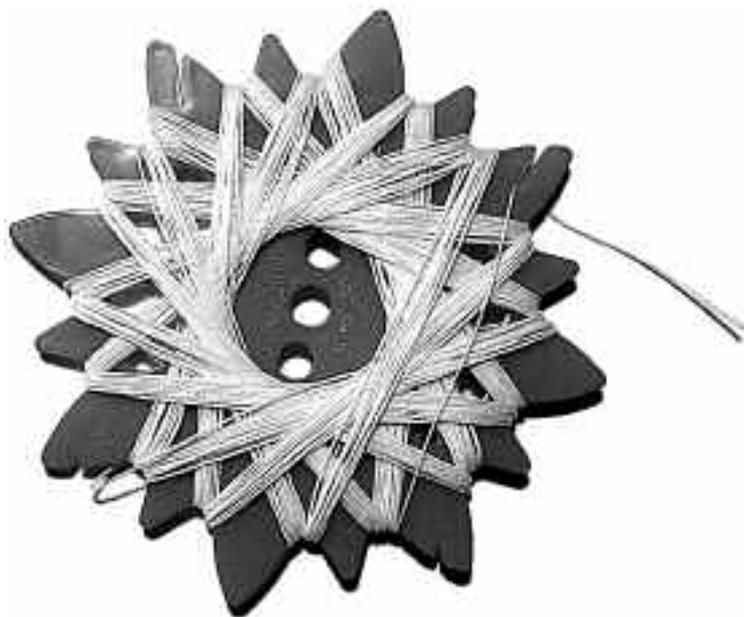
The Fair Wear Foundation commissions local researchers to do a background study for each country where it becomes active, in order to help build partner networks and guide the set-up of (locally-trained) audit teams. Each country study includes a description of the garment industry and labour conditions there, and compares local labour law against the standards of the FWF code. Each also describes the trade unions, NGOs, industry and government bodies active in the country and their priorities for improvement of labour standards.

English language studies are available for China, India, Macedonia, Poland and Turkey, at: www.fairwear.nl/?p=112



Jo-In Website

The CCC, FWF, ETI, FLA, WRC, and SAI have formed the Joint Initiative on Corporate Accountability and Workers' Rights, known as "Jo-In" for short. The partnership aims to lessen the confusion generated by the multiplicity of codes and related initiatives. A first pilot project is underway in Turkey, to test and compare a



variety of code implementation strategies and approaches. Project materials in English and Turkish can be found at the Jo-In website.

For more information on this initiative, see the project's website: www.jo-in.org

MFA Phase-Out Info

The phase-out of the world trade agreement called the "Multi-Fibre Arrangement" (MFA) may have disastrous consequences for garment workers and industry in certain countries. A seminar organised by the Ethical Trading Initiative (ETI) in the UK in October 2004 looked at how workers and industry in vulnerable countries can be protected from the worst effects. The outcomes are to be fed into the work of the MFA Alliance, an international group of public institutions, companies, unions, multi-stakeholder initiatives and NGOs, set up to identify ways of tackling the fall-out from the phase-out.

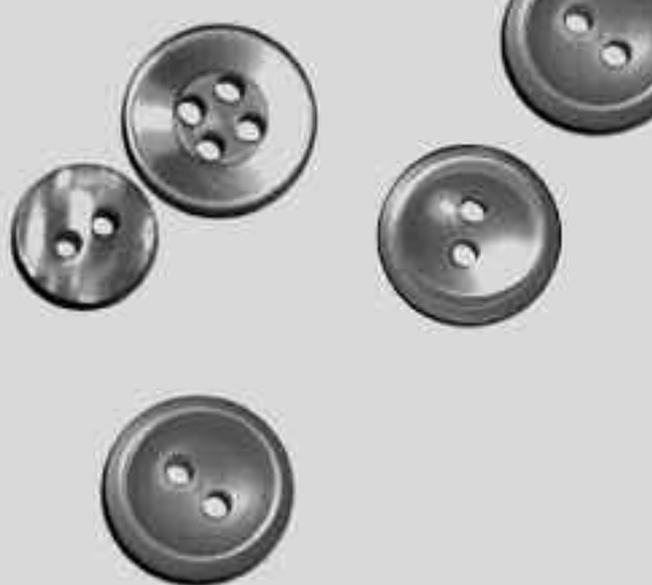
The seminar report is available at: www.ethicaltrade.org/Z/lib/2004/10/sem-mfa/ETI-semrep-MFAphaseout-200410.pdf

More information on the MFA Alliance is available at: www.accountability.org.uk/research/default.asp?pageid=180

Two Dutch Clothing Companies

The Centre for Research on Multinational Corporations (SOMO), based in the Netherlands, has analysed how two Dutch clothing companies are handling their corporate social responsibilities. One is a member of the Fair Wear Foundation and the other uses the SA8000 standard. The reports also analyse the strengths and weaknesses of these initiatives.

GSUS Clothing Industries is a relatively new, small but fast-growing company specialising in youth "street wear". While taking environmental and social principles seriously, GSUS senior management had merely made assumptions about labour conditions in their supplier factories. However, in early 2004 GSUS joined the FWF and has become enthusiastic about CSR, including transparency.



The report is available at: www.somo.nl/html/paginas/pdf/GSUS_Profile_2004_NL.pdf

WE Europe is a family-owned fashion retailer, with stores in six European countries. After six years of claiming to use the SA8000 standard, researchers found that few WE supplier factories appear to have achieved SA8000 certification, though WE refuses to make the information public. The report describes the kinds of problems, delays and hurdles involved, even where intentions might be good.

The report is available at: www.somo.nl/html/paginas/pdf/WE_Profile_2004_EN.pdf

Trade in Used Clothing Studied

Used clothing from countries of the North is being resold in great quantities in Africa, affecting the development of the clothing and textile industries in the continent. A report "Developing a Strategic Response to the Trade in Used Clothing in Africa" was prepared for the 8th International Congress of the International Textile, Garment and Leather Workers' Federation (ITGLWF) in October 2004 by the Civil Society Research and Support Collective, with the aim of informing union policy. Field and desk research was conducted in a number of African countries, predominantly in South and East Africa.

The report is available at: www.cleanclothes.org/publications/04-itg.htm

"Behind the Brand Names"

This report from the International Confederation of Free Trade Unions (ICFTU), published in December 2004, focuses on what the ICFTU calls "the sharp end of globalisation" – working conditions and labour rights in export processing zones. It has a particular emphasis on the experiences of workers in the electronics industry and includes case studies from nine countries.

Available at: www.icftu.org/www/PDF/EPZreportE.pdf



Homeworkers Campaign Guide

Homeworkers Worldwide recently launched a new campaign guide for homeworkers and others working in precarious and informal employment. "Campaigns at Work: a Guide to Campaigning for Home Worker Groups, Unions, Campaign Groups

and Activists" provides practical examples to assist with the development of campaigns, including the engagement of consumers in lobbying corporations.

Available at: www.homeworkersww.org.uk/resource&material/campaign%20manual.pdf



OECD Watch

Several CCC partners have filed cases under the "Guidelines for Multinational Enterprises" of the Organisation for Economic Cooperation and Development (OECD). OECD Watch has been set up to inform civil society about the policies and activities of the OECD's Investment Committee and to test the effectiveness of the OECD Guidelines.

See the OECD Watch website (www.oecdwatch.org) for a report of a "Training and Strategy Seminar on using the OECD Guidelines" organised by SOMO and IRENE in October 2004, and a database of cases filed so far. OECD Watch has also recently published its first newsletter: www.oecdwatch.org/docs/newsletter%20E%202005%201.pdf



