

#### BRIEF CONSIDERATIONS ON THE RIGHTS AND WORKING CONDITIONS OF EMPLOYEES IN THE TEXTILE AND CLOTHING INDUSTRY GLOBALLY AND IN ROMANIA

#### **DOCIU Maria-Ariana**<sup>1</sup>

<sup>1</sup> West University of Timişoara, Doctoral School of the Faculty of Law, Eroilor 9A, 300575, Timişoara, Romania, maria.gherghel90@e-uvt.ro

Corresponding author: Dociu, Maria-Ariana, E-mail: maria.gherghel90@e-uvt.ro

Abstract: It is well known that the textile and clothing industry plays an extremely important role in the global context, being one of the most powerful industries, which is capable of generating a turnover of billions of EUR. A fundamental part of the manufacturing process is represented by the employees that have an essential place in each step of the value chain, from fibre to fabric to ready-to-use product. The majority of the companies in this domain use the "lohn" system, which means that, first of all, that they redirect their attention to the countries which offer a cheap manpower. As a consequence, countries such as Romania lose their own identity regarding their own brands, becoming just a so considered minor player in the textile and clothing industry, but having the significant role of producing for the big companies of the world.

The aim of this paper is to point out the great importance of the people who work in this industry, from the unqualified personnel to the qualified one, because each of one has a specific role in the manufacturing process, and also to emphasize that companies should not minimize this fact; on the contrary, besides worrying only about the profit, attention should be focused primarily on employees, in order to create optimal working conditions, to respect the fundamental human rights and to provide wages proportionally with the work-hours.

Key words: wages, sweatshop conditions, long working hours, overtime practices, safety.

#### 1. INTRODUCTION

The textile and clothing industry worldwide shows that it has enormous potential and important amounts of money are involved in it. Globally, there are million of people who work in this area, but many of them work in bad conditions and are not paid as they should really be, this phenomenon prevailing in countries where the "lohn" system has developed and where the wages are very low.

In 2015, at the European level, the overall size of the Textile & Clothing industry in the EU-28 reflected a turnover of 169 billion € and also investments of around 4 billion €. When talking about the number of employees, thanks to the revival of the EU activity, the approximately 174,000 companies still employ over 1.7 million workers [1].

For the last 25 years now, the Romanian textile industry struggles to remain balanced, but local producers have not managed to perform with any brand, the market being flooded with foreign retailers which require their own brands.



After 1990, the textile industry in Romania has somehow lost its identity. Even if during the communist era, Romania was known as one of the most popular destinations of production for major brands, nowadays many factories went bankrupt or were swallowed by the big foreign producers.

# 2. CHALLENGES FACED BY THE WORKERS IN THE TEXTILE INDUSTRY WORLDWIDE

From the very beginning, we can state that the working conditions in the textile industry are not the easiest ones, and employees have to face a series of serious problems, such as:

- long working hours, exceeding the normal schedule;
- low or even very low wages;
- non-compliance with the workers' legal rights;
- the lack of individual labor contracts.

When the working environment is difficult or even dangerous for the employees, we talk about sweatshop (or sweat factory), to express the fact that workers have to stay more hours at their jobs, which, of course, is very unpleasant as these extra hours are either not paid at all or are being paid inappropriately.

So, the main problems are:

- ➤ poor working conditions, the so called "sweatshop" conditions, defined in long working hours every day, having to stay overtime at job and the income is not sufficient according to the hours of work; moreover, there are cases when people work even in the nights or in the weekends, without having enough time to rest;
- poor working conditions from the point of view of infrastructure; the bigger and bigger demand on the market of textiles and clothing has led to finding new places/buildings to work in, many of which were not designed for this type of activity. Also, often the machinery used is not as safe as it should be because in many cases is very old and has not been replaced for years. There are also cases when workers do not use the appropriate protective equipment and do not have the possibility to air the places in which they work, which, of course, is very dangerous for their health;
- ➤ low or very low wages, not according to the time of work and usually workers are paid by piece;

In other cases, the following have been pointed out:

- ightharpoonup discrimination when it comes to genders (females are preferred);
- ighthere are cases when women are obliged to sign an agreement not to get pregnant as long as they work at the factory. Moreover, there can be situations when pregnant workers suffer verbal abuse, higher production rates, longer work hours and more difficult tasks such as standing instead sitting or working in a hotter area;
  - > the forced labor;
- ➤ the lack of the freedom to associate; in some cases, employers even use physical violence against employees in order to stop them from starting riots or strikes;
  - > the child labor.

The worst global problem that has been reported is the one from Asia, where the working conditions are so burdensome, that the job in the textile industry is usually seen as "slave labor".

In many countries which suffer from poverty, the textile and clothing industries are considered a loophole, a helping hand for the poor people who at least have the possibility to earn a certain income, even it often is a small one, but first of all, the great benefit is the one of detaining a job as safe as possible. Unfortunately, from this situation of need which characterizes the population, arise the benefits for the companies, which take advantage of the fact that people in need accept any



type of working conditions and of wages only to gain something. The purpose of the companies is to make manufacturers lower their production costs and to produce goods as quickly as possible.

Let's take, for example, Bangladesh, where the textile and clothing industry is the most important of the country, with approximately 86% of all exports; here, the wages are extremely low, but exactly this lead to the flourishing of this industry. Also, Bangladesh is world's second-largest garment exporter after China, with 60% of its clothes going to Europe and 23% to the US [2]. In Bangladesh, as in other countries as well, there are many people who work from home, the Bangladesh Home Workers' Association estimated that there are millions of home-based garment workers, because entire rural families are involved in the traditional embroidery work [3].

Because of the availability of raw materials and a large market, the textile and clothing industry in India has become the second largest provider of employment in this country; Pakistan is the fourth largest producer of cotton in the world; in the meanwhile the textile, leather products and footwear sectors - all combined - represented the fourth largest contributor to the manufacturing industry in Indonesia, with a market share of 7.8% for the quarter ending December 2013 [2].

In Europe, the textile and clothing industries still play an important role for the economy of the states, the European Union being the world's largest second exporter

Exact and recent data about the rate of employment in textile industry is very hard to find, as there are so many small and medium companies in this domain, and they do not always report the real number of employees, as they are in continuous change at this level.

**Table 1:** Employment in the textile and clothing industry [4].

Country	Employment in textiles industry	Employment in clothing industry	Total employment in textiles and clothing industries	Year
China	6 700 000	4 501 100	11 201 100	2010
India	1 379 264	862 689	2 241 953	2009
Vietnam	195 551	844 069	1 039 620	2010
Brazil	308 155	671 356	979 511	2010
Indonesia	498 005	464 777	962 782	2009
Thailand	311 554	345 835	657 389	2006
Turkey	265 957	329 584	595 541	2009
Pakistan	438 657	62 388	501 045	2006
United States	290 804	130 340	421 144	2008
Italy	182 177	199 001	381 178	2008-09
Sri Lanka	35 264	260 308	295 572	2010
Japan	137 772	137 665	275 437	2010
Mexico	83 674	163 118	246 792	2010
Egypt	130 815	103 268	234 083	2010
Taiwan (China)	114 253	87 261	201 514	2006
Romania	27 763	154 547	182 310	2010
Republic of Korea	87 868	76 701	164 569	2008
Morocco	34 026	129 508	163 534	2010
Poland	49 688	109 253	158 941	2009
Portugal	47 463	97 516	144 979	2009
Philippines	16 853	105 875	122 728	2008
Germany	76 676	43 775	120 451	2009
Bulgaria	11 631	99 998	111 629	2010
Spain	43 948	62 181	106 129	2009



France	49 002	48 701	97 703	2009
Malaysia	29 982	54 512	84 494	2010
United Kingdom	55 250	28 056	83 306	2009
Jordan	3 797	33 683	37 480	2010

Source: UNIDO: International Yearbook of Industrial Statistics, Vienna, 2013.

### 3. INTERNATIONAL LEGAL ASPECTS REGARDING WAGES IN THE TEXTILE AND CLOTHING INDUSTRY

The International Labor Organization (ILC) adopted the following Conventions and Recommendations, which reffer to the textile and clothing industry [4]:

- Protection of Wages Convention, 1949 (No. 95) and Recommendation, 1949 (No. 85)
- Minimum Wage Fixing Convention, 1970 (No. 131) and Recommendation, 1970 (No. 135)
- Protection of Workers' Claims (Employer's Insolvency) Convention, 1992 (No. 173) and Recommendation 1992 (No. 180)

The first one, the Convention No. 95 and its accompanying Recommendation No. 85 on the protection of wages point out the "forms and manners (where, when, how) of the payment of wages, to provide the fullest possible protection to workers", while Convention No. 173 and its accompanying Recommendation No. 180 include "provisions on wage protection in cases of the insolvency or closing down of an enterprise" [4].

The second one, the Convention No. 131, requires states "to establish a system of minimum wages which covers all groups of wage earners whose terms of employment are such that coverage would be appropriate". In taking this action, states have to take into consideration "the needs of workers and their families, taking into account the general level of wages in the country, the cost of living, social security benefits, and the relative living standards of other social groups", as well as "economic factors, including the requirements of economic development, levels of productivity and the desirability of attaining and maintaining a high level of employment". To ensure the application of the minimum wages provisions, "appropriate measures, such as adequate inspection reinforced by other measures" are being imposed [4]. The role of the Recommendation No. 135 is to supplement the provisions of the Convention mentioned before, by presenting some mechanisms that can be used to set minimum wage rates.

#### 4. THE WORKERS' SITUATION IN ROMANIA

Romania's textile and clothing industry is one of the most important in our country, being a real support for the national economy.

Romania is the second largest employer in textile and fashion sector in the European Union, a sector which includes mainly small and medium enterprises and in general women are more preffered than men [5].

The peak was reached in 2004, when the statistics show that there were 450,000 employees in Romania [6].

Wages in the textile industry were located on a slightly upward trend, increasing gradually in recent years, but this was due to the increase in the minimum wage and less labor market developments, although production of lohn garments gain magnitude increasingly. Although the minimum wage changed from 1 February 2017 to 1,450 lei, small wage increases are expected in the textile industry

The 9,700 companies in Romanian textile industry have more than 250,000 employees. And 70% of production is under the lohn system, according to industry employers' federation, cited by



Wall-Street.ro. Zara, H & M, Louis Vuitton, Armani are just some of the fashion companies working with factories in Romania.

In Romania, the lohn production is represented by foreign companies that choose to open production places and make garments locally and later export them for marketing abroad. This process has gradually led to the decrease of the domestic production, which had suffered from the disappearance of Romanian suppliers of raw materials.

In other words, in the field of the textile and clothing, Romania has declined in recent years, and the only sector that was developed was that of the lohn production, which is characterized primarily by cheap and unqualified personnel.

The most commom salary in a manufacturing textile factory is the minimum wage. Sometimes, performance bonuses are added, depending on the number of products shipped, overtime and bonuses for night or weekend. Employees can benefit from meal tickets or transportation provided. Depending on this, employees can achieve a net salary of between 1,100 and 1,700 lei, but not many are those who come to collect at the end more than 1,200 lei.

Regarding the wage of skilled workers, technicians can earn up to 2,100 lei monthly and the salary of the operators who work with numerical control (CNC) may also be 2,500 lei. Currently, all companies in the textile focus on application of the minimum wage, but there are pressures on the cost of labor for those working in the lohn system, that restricts salary increases, while maintaining a competitive price.

If referring to the working conditions, Romanian employees complain about:

- low wages, not sufficient for a decent living;
- illegal overtime practices, the overtime is not organised officially and is not paid at the legally rate;
- the working conditions are not healthy, by the contrary, they are dangerous for the employees;
- the lack of strong unions that would have the possibility to pretend increases of wages;
- short-time labor contracts.

The rights and obligations concerning the employment relationship between the employer and the employee are established by law through negotiations under collective agreements and individual employment contracts.

According to article 39 of the Romanian Labor Code, employees' rights are [7]:

- the right to remuneration for their work;
- right to daily and weekly rest;
- the right to annual leave;
- the right to equal opportunities and treatment;
- the right to dignity at work;
- the right to safety and health at work;
- right of access to vocational training;
- right to information and consultation;
- right to take part in the determination and improvement of working conditions and working environment;
  - the right to protection in case of dismissal;
  - the right to collective bargaining;
  - the right to participate in collective actions;
  - the right to form or join a union;
  - other rights provided by law or collective agreements.



#### 5. CONCLUSIONS

The global textile and clothing industry is one of the most important sectors of the global economy that creates jobs for million of people all over the world. The reality of this industry is that many employees work long hours under poor conditions for low wages. There exist many unacceptable working conditions, like long working hours and forced overtime. Employees normally have to work between 10 to 12 hours, sometimes 16 to 18 hours a day, but when a factory faces order deadlines, working hours get longer. Also, workers worry about their health and safety at the workplace, as they have to work in inadequate places. What is extremely important is the changing of all these, which can only be obtained by employers' awareness of these issues and also the existence of stable legal provisions is compulsory.

#### REFERENCES

- [1] [Online] Available: http://euratex.eu/press/key-data/.
- [2] "Workers' conditions in the textile and clothing sector, just an Asian affair?", [Online] pp. 3-4. Available: <a href="https://www.europarl.europa.eu">www.europarl.europa.eu</a>.
  - [3] "Garment workers", [Online] Available: www.wiego.org.
- [4] International Labor Organization, "Wages and working hours in the textile, clothing, leather and footwear industries", [Online]. pp. 9-14. Available: <a href="www.ilo.org">www.ilo.org</a>.
  - [5] [Online] Available: www.euractiv.com.
- [6] C. Ajder, B. Musiolek, C. Luginbuhl, "Country profile: Romania", [Online] Available: <a href="https://www.cleanclothes.org">www.cleanclothes.org</a>.
  - [7] [Online] Available: http://www.avocat-dreptul-muncii.eu/codul\_muncii\_2017.php.